

City of Williamsburg

Economic Development Strategic Plan

January 2006

FIRST DRAFT

Table of Contents

Introduction and Summary	1
Current Position	
Inventory of Accomplishments	3
Advantages and Challenges	6
State of Business.....	9
Proposed Goals and Strategic Directions.....	20
Appendices	
Appendix A: State of Business Detailed Data.....	30
Appendix B: Description of NAICS Industry SuperSectors	67
Appendix C: Williamsburg Development Summary, 1975-2005	71
Appendix D: State Enabling Legislation for Local Technology Zones.....	73
Appendix E: State Enabling Legislation for Real Property Tax Exemption	76
Appendix F: Definitions of Class A, B, and C Office Space	78
Appendix G: January 2005 Inventory and Assessment of Economic Development Activities	79

Introduction and Summary

“A goal without a plan is just a wish.”
Antoine de Saint-Exupery

This Economic Development Strategic Plan assesses the current economic position of the City of Williamsburg, sets goals for continued economic vitality in the City, and presents an action plan to pursue economic development opportunities in the future. The Plan builds upon other existing City plans (including the City's Goals and Initiatives, the Comprehensive Plan, and the Capital Improvements Program), and it includes actions that the City already undertakes. As such, the Plan and its proposed actions reinforce the importance of existing City efforts and offer additional actions that the City's new economic development office can undertake.

This Plan includes an inventory of recent economic development accomplishments, an overview of Williamsburg's advantages and challenges, and a report on the state of business in Williamsburg. It also outlines five major economic development goals and an action plan to accomplish the goals. As a framework for action, the strategic plan is meant to be revisited as time passes and external and internal factors change in Williamsburg.

Key Findings

While the City has experienced growth in its number of businesses and employees from 1990 to 2004, the percentage of this growth is lower than James City County, York County, Virginia, and the United States. Additionally, Williamsburg has experienced a decline in the number of business establishments (since 1998) and employees (since 2001).

Williamsburg faces the loss of more jobs and business establishments with the move of Sentara Community Hospital to York County in 2006. However, the City has positioned itself to gain jobs, business establishments, and market share with the two proposed greenfield projects of High Street Williamsburg and Quarterpath at Williamsburg, a strong retail market on Richmond Road, and the expected increase in tourism during America's 400th Anniversary Commemoration in 2006 and 2007.

One of the keys to Williamsburg's success is the high quality of its physical and cultural environments. To continue this success, future development in Williamsburg must be of high quality. The City has regulatory tools in place to insure this continued quality. However, some public perception exists that these tools are anti-business. This plan explains how Williamsburg should foster a positive business climate while maintaining its high quality standards.

Williamsburg's economy is highly dependent on the hospitality industry, which has experienced declines in the number of businesses since 1998, and declines in the number of employees since 2001, and faces challenges in an ever-changing tourism market. Additionally, the hospitality industry provides lower wages and less stability to its employees than other industries.

Existing businesses are the engine of every economy. The City has taken a leadership role in working to reverse declines in the area's hospitality industry. This plan outlines an Existing Business Program to insure that City businesses in all industries know their importance and receive technical assistance to grow and prosper.

To diversify and strengthen the vitality of its economy, Williamsburg should encourage the location of businesses that offer higher wage jobs and will be attracted to Williamsburg's location and quality of life. Potential industries that fit Williamsburg's character, build upon its existing industries, and offer higher wage jobs include professional and business services, cultural arts, and research/development.

Williamsburg can use the following new tools for locating these types of businesses:

- Technology Zones in Redevelopment areas, where financial incentives can be offered to achieve specific goals
- Partial Real Estate Tax Exemption Ordinance for Redevelopment Areas
- Demolition and Marketing Program to allow the Economic Development Authority to loan money for demolition and marketing in redevelopment areas

Williamsburg is a landlocked city in a state with a moratorium on annexation. With little available land or product for business expansions and new locations, areas of redevelopment will be key to the City's economic vitality. This plan discusses five redevelopment areas and outlines tools to encourage business expansion and location in these areas.

Overview of Williamsburg's Economic Development Accomplishments 1996-2005

Before discussing new economic development strategies, it is important to reflect on past successes. The City of Williamsburg has accomplished much to maintain economic vitality and its special sense of place. It has maintained its position as a destination market with the premier institutions of Colonial Williamsburg and the College of William and Mary, and City leadership deserves credit for its policies and management that have helped maintain this distinction. The following inventory is not exhaustive, but it highlights many of the recent accomplishments and investments that have promoted economic development in the City.

City of Williamsburg Investments

Infrastructure

- Sidewalk Improvements – 1996-ongoing (North Henry Street, Capitol Landing Road, Richmond Road, Prince George/North Boundary Streets, Monticello Avenue, Route 132, Transportation Center, and Wyndham and Claiborne condominium developments)
- Underground Wiring (Jamestown Road, Richmond Road, Monticello Road) – 1996-ongoing
- Regional Stormwater Management Project – 1996-2005
- Corridor Beautification (ARB guidelines, new signage) – 1996-2005
- Water Plant Rehabilitation (1998)
- Williamsburg Transportation Center – 2002
- Williamsburg Area Transport – 2003
- Prince George, Boundary, and Monticello Streetscapes – 2004-2005
- Prince George Parking Garage – 2004
- Richmond Road Improvements Project – 2005-2006
- New City Entrance Signs – 2005
- Regional Wayfinding System – 2006
- Treyburn Drive Extension – 2006-2007

Redevelopment

- City Square (Community Building, and Parking Terrace, Chamber building, RJS building, and pending Carlton Abbott office building) – 1999-ongoing
- Richmond Road between Brooks and New Hope (WaWa, Suter's, Westgate, Cornerstone Grill, Steinmart, Marshall's, Tuesday Morning, Bettina's, European Beauty Concepts) – 2001-2005
- Chrysler Dealership relocation and expansion – 2004
- Capitol Landing Road (Hampton Inn, Spring Arbor, Alexander Commons) – 2005
- Second Street and Penniman (expansion of Patriot Buick-GMC, two EDA sign grants) – 2005
- Braxton Court CDBG – 2005
- Yankee Candle - 2005
- Expansion of the College of William and Mary School of Education on the hospital site – 2006

Greenfield Developments

- High Street Lifestyle Center – 2006-2007
- Quarterpath at Williamsburg (Doctor's Hospital of Williamsburg) – 2009

Tourism and Destination Marketing

- Direct Financial Support (\$2.2 million in 2005, \$26.9 million cumulative 1983-2005)
- Farmers' Market – 2001
- Williamsburg Area Destination Marketing Campaign – 2004
- Preserve America Designation – 2004
- Jamestown 2007/America's 400th Anniversary (wayfinding, marketing, public information, Redoubt Parks)
- Festival Williamsburg – Virginia Arts Festival Event
- Regional Arts Map for Historic Triangle

Economic Development Information and Promotion

- Community Profile
- Economic Development Web Pages

EDA Specific Activities

- Issuance of Bonds (Williamsburg Community Hospital, Colonial Williamsburg, Center for State Courts, Williamsburg Shopping Center, Colonial Community Services Board)
- Business Appreciation Awards
- Sign Improvement Grant Program
- Grants to the William and Mary Technology and Business Center

College of William and Mary Investments

- New Business School
- Barksdale Dormitory – 2006
- New Parking Deck – 2006
- Lake Matoaka Amphitheatre – 2007

Downtown Investments

Colonial Williamsburg Foundation

- Visitors' Center
- Williamsburg Inn
- Corner Building
- Williamsburg Lodge
- Woodlands and Lodge Conference Centers
- Kimball Theatre

Retail

- Williams Sonoma
- Chico's
- Talbot's
- Binn's expansion
- Bella's
- Fat Canary
- Cheese Shop expansion
- A Chef's Kitchen
- Blue Talon Bistro
- Steeps Tea Room

2005 Inventory and Assessment of Economic Development Activities

In January of 2005, the City completed an assessment of its economic development activities. (The complete Assessment is located in Appendix G.) This assessment shows the City's strong level of integrated economic development efforts throughout City departments, which led to much success, as identified above. The proposed tools and actions of this plan are designed to continue and enhance the City's current economic development efforts.

Analysis of Williamsburg's Advantages and Challenges in Economic Development

"The greatest asset a city or neighborhood can have is something different from every other place."

Jane Jacobs

Business location decisions are based on a plethora of quantitative and qualitative data, including: quality of life, business climate, market access, workforce and education, transportation, utilities, real estate, technology resources and start up support. This assessment examines these main aspects of a business location decision and identifies the values that the City of Williamsburg offers a prospective business.

Successful economic development planning includes an assessment of the City's assets and limitations to business development and growth. The City can then promote its assets and look for areas of improvement in order to create a positive environment for economic growth and prosperity.

Advantages

The quality of life in Williamsburg is highly desirable.

Williamsburg has a beautiful built and natural environment.

Williamsburg is an internationally known address.

Williamsburg has a highly educated population, with 45 percent of the 25+ years population having a bachelor's degree or higher.

Williamsburg's immediate transportation access points include interstate access (I-64), rail access (Amtrak and CSX), bus service (Williamsburg Area Transport, Trailways, and Greyhound), and taxi services, with the state's only full service surface Transportation Center, where travelers can access all services at the same location.

Williamsburg is located approximately 35 miles from the Port of Hampton Roads, and more than two-thirds of the United States population lives within 750 miles of the City.

Williamsburg is close to four airports, Williamsburg-Jamestown General Aviation (1.5 miles), Newport News-Williamsburg International (15 miles), Norfolk International (43 miles), and Richmond International (44 miles).

Williamsburg's location provides access to two large metropolitan areas – Hampton Roads and Richmond, with populations of 1.5 million and one million respectively. Specifically, Williamsburg is located one hour from Virginia Beach and one hour from Richmond.

Williamsburg is home to the world's largest living history museum, operated by the Colonial Williamsburg Foundation.

Williamsburg is also home to the College of William and Mary, America's second-oldest college and according to *Newsweek* magazine, the best small public university in the nation.

The City of Williamsburg offers high quality government services with the lowest local real property tax rate (\$0.54 per \$100) of all the cities in Virginia. In Williamsburg's Annual Citizen Surveys from 1995 - 2004, residents ranked city services as "very good to excellent."

Williamsburg has the capacity to lodge and feed a substantial number of visitors, including 64 hotels/motels, one timeshare, twenty-four Bed and Breakfast establishments, and 83 restaurants.

Challenges

Williamsburg has very little commercial product and no class A office space into which businesses can locate immediately.

Williamsburg's cost of commercial real estate is high (approximately one million dollars per acre), and most available real estate requires significant redevelopment work before it can be occupied.

High quality development requirements are perceived as anti-business by some local businesses and developers.

Williamsburg has some aging hotel products with occupancy rates below 50 percent.

Williamsburg's hospitality industry experiences seasonal declines in January, February, and March.

The Historic Triangle's tourism market has declined, and the surrounding counties offer increasingly more competing tourism products (attractions, hotels, restaurants, and retail).

Williamsburg's economy depends disproportionately upon the hospitality and retail trade sectors, which account for more than 43 percent of the tax base.

The adjacent counties of James City and York offer strong business location competition with more readily developable land than Williamsburg.

Williamsburg is landlocked and affected by a statewide moratorium on annexation.

Some college students and young professionals have a perception that there is not enough for them to do in Williamsburg.

The Future

As noted in the Inventory of Accomplishments, the City has capitalized on opportunities and planned for future successes in economic development. Major hospitality efforts, including the Williamsburg Area Destination Marketing Campaign and the Jamestown 2007 Commemoration, are in place to rejuvenate the tourism industry. Two major greenfield projects, High Street Williamsburg and Quarterpath at Williamsburg, will increase the City's population, tax revenue, employment, and business opportunities. This plan will address additional economic development efforts to enhance these opportunities, address challenges, and increase the City's economic vitality.

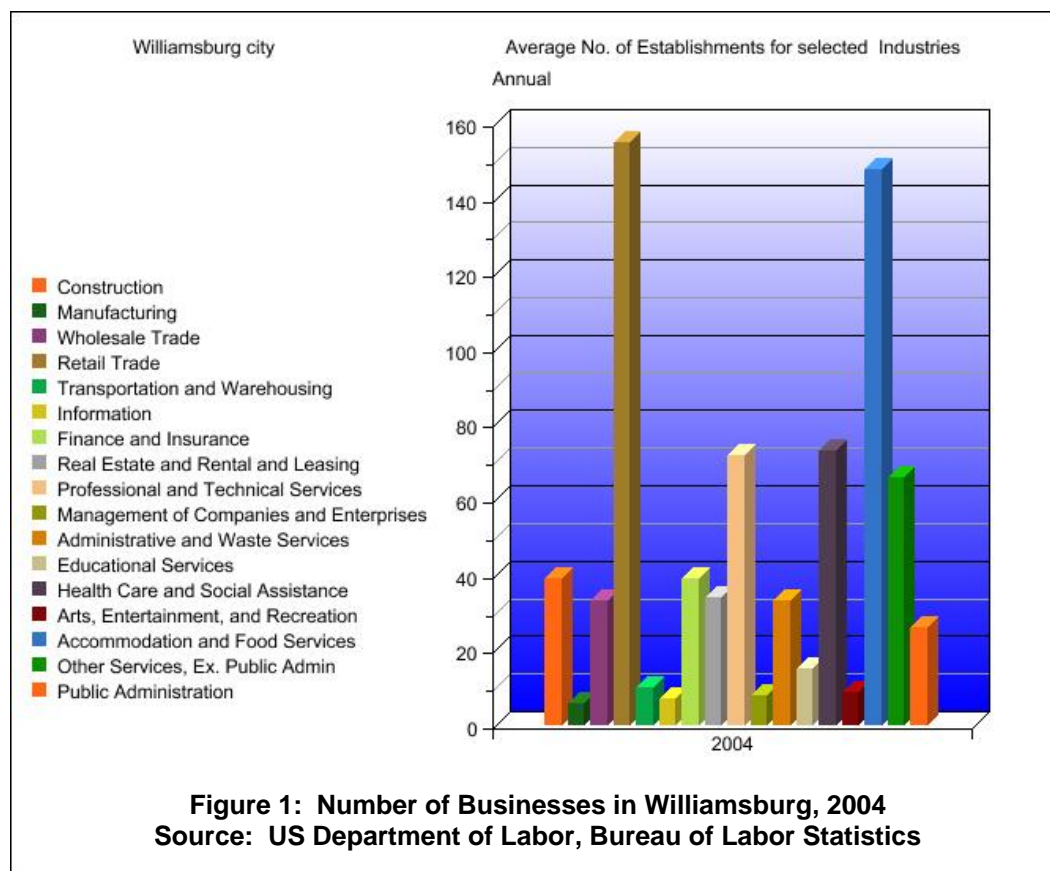
State of Business in Williamsburg

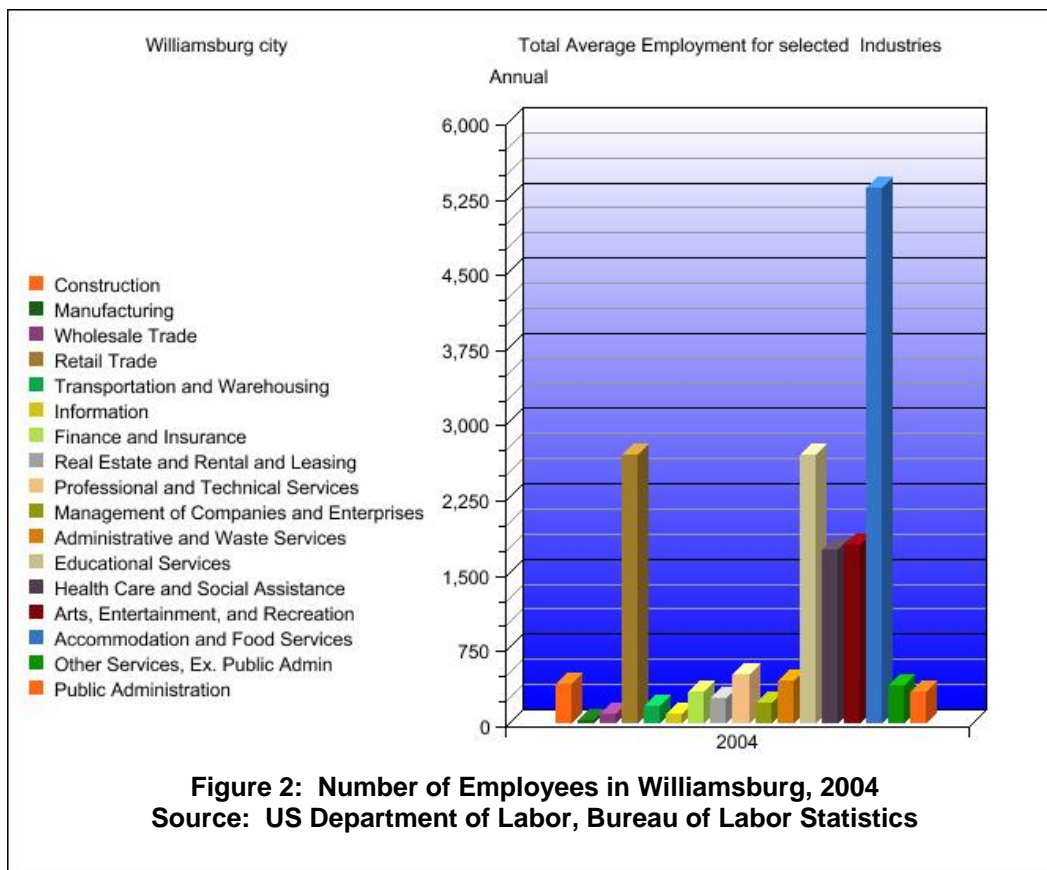
The State of Business in Williamsburg provides an overview of the current position and historical trends of business in Williamsburg. Appendix A provides a more detailed version of the State of Business, with extensive charts and data sources.

While the economy of the City of Williamsburg depends on all of its industries, the City's hospitality industry is a main economic driver. This industry includes the accommodations and food services sector and the retail trade sector, which experience increases and decreases as the tourism industry fluctuates. Additionally, the operation of two major institutions, the Colonial Williamsburg Foundation and the College of William and Mary, provide stability and prestige to the City's economy and employ a significant portion (approximately 30 percent) of the workers in the City.

Overview of Industry in Williamsburg: A 2004 Snapshot

In 2004, 774 business establishments operated in the City of Williamsburg, employing 17,383 people earning an average weekly wage of \$537. Most of these business establishments and employees fall within the hospitality industry (Retail Trade and Accommodation and Food Services), as illustrated by Figure 1 and Figure 2.



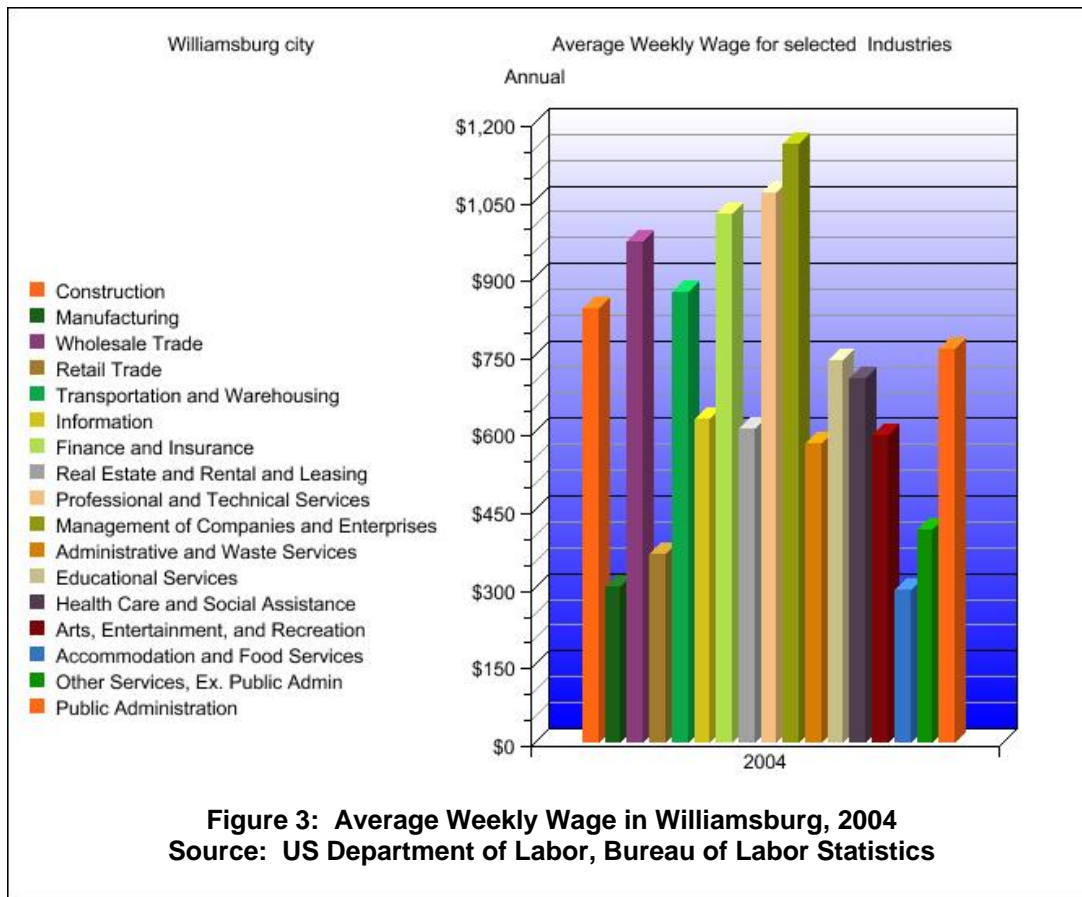


Due to its large hospitality industry, the Retail Trade and the Accommodation and Food Services (AFS) sectors of Williamsburg's economy are the main economic drivers in the areas of revenue, establishments, and employment. In terms of number of businesses and number of employees, these sectors take the lead with 155 retail trade business establishments, 2,682 retail trade employees, 148 AFS establishments, and 5,342 AFS employees. Due to the strength of these sectors, Williamsburg has the highest per capita retail sales (\$27,130) in the state. Additionally, these sectors provide a significant portion of the City's tax base. The City receives direct annual tax revenue from this sector in the form of room tax receipts averaging \$4 million, sales tax receipts averaging \$3 million, and meal tax receipts averaging \$5.5 million. This direct annual revenue consists of \$12.5 million annually, which accounts for 43 percent of the City's revenue. Other tax receipts from these sectors are more difficult to quantify but include a portion of the following receipts: business license fees, cigarette taxes, real property tax, personal property tax, franchise fees, and utility taxes.

According to the Williamsburg Planning Department, current hospitality businesses in the City include:

- 64 Hotels/motels
- One Timeshare
- 83 Restaurants
- 24 Bed and Breakfast establishments

The Planning Department also tracks the net change in hotel rooms and restaurants in the city. From 1990 to 2005, the City experienced a net gain of 375 hotel rooms (1,086 built, 711 demolished or converted) and a net gain of eighteen restaurants.



While providing the majority of the City's tax base, these sectors provide some of the lowest paying wages of the economy. The average weekly wage of the 5,342 AFS employees is \$295, and the average weekly wage of the 2,682 Retail Trade employees is \$366. Williamsburg's highest paying industry is the Management of Companies and Enterprises, which employs 198 people earning an average weekly wage of \$1,159 at eight establishments.

Changes in Business Statistics: 1990-2004

Number of Business Establishments

A review of the last fifteen years of business statistics shows nine percent more businesses operating in the City in 2004 than in 1990, but these gains were all made before 1999, after which the number businesses declined. During the same time frame (1990-2004), the Commonwealth of Virginia experienced 33 percent growth, and the United States as a whole experienced 38 percent growth in the number of business establishments, with no declines, which is a sharp contrast to Williamsburg's experience after 1998.

Number of Employees

The number of employees in the City also was greater in 2004 than in 1990, showing eight percent growth, with a peak in 2001 and declines in 1991, 1997, 2002, 2003, and 2004. During the same time frame (1990-2004), employment in the Commonwealth of

Virginia and the United States as a whole grew at faster rates of 23 and 19 percent respectively, and experienced a decline in the number of employees in 1991, 2001, 2002, and 2003.

Average Weekly Wage

The average weekly wage in Williamsburg has increased from 1990 to 2004, except for 1995, when it experienced a very small decline of one percent. (Average weekly wage numbers are not adjusted for inflation.) The Commonwealth of Virginia and the United States both experienced increases in the average weekly wage during the same period. However, Virginia's (\$779) and the nation's (\$757) 2004 average weekly wage are significantly higher than Williamsburg's (\$537).

Overview

While Williamsburg did experience business and employment growth from 1990 to 2004, in percentage growth the City did not keep pace with the Commonwealth of Virginia or the United States as a whole.

**Percentage Change in Number of Businesses and Employees
in All Industries: 1990-2004**

Area	Percent Change in Number of Businesses	Percent Change in Number of Employees
Williamsburg	9%	8%
Virginia	33%	23%
United States	38%	19%

Changes in Hospitality Industry Statistics: 1990-2004

Two industry sectors can be analyzed further to better understand the hospitality industry that dominates Williamsburg's economy. These two sectors are the Accommodation and Food Services (AFS) sector and the Retail Trade sector.

From 1990 to 2004, the City gained AFS and retail trade businesses, but these gains were made almost entirely before 1998, after which Williamsburg experienced declines in the numbers of these businesses. In 2004, the City experienced a net gain of one business in each of these sectors, which is less than a one percent increase in each sector. Virginian and national gains in AFS businesses during this timeframe occurred more evenly throughout the entire period. Growth in the number of retail trade establishments in Virginia and the United States followed Williamsburg's experience more closely with gains occurring until the late 1990s and declines occurring after 2000.

Williamsburg experienced a net loss of one percent of its AFS employment from 1990 to 2004, with declines since 2001. Virginia and the United States experienced gains of 38 and 34 percent, with very small (one percent) declines in 1991. Williamsburg's retail trade employment from 1990 to 2004 experienced a net loss of two percent, with declines since 2001. In retail trade employment, Virginia and the United States also

experienced declines and increases, but both experienced increases in 2004 and ended with net gains instead of losses for the time period.

While AFS and retail trade wages are among the lowest in the economy, Williamsburg's AFS average wage is slightly higher than both Virginia's and the nation's, and its retail trade average wage is significantly lower. Williamsburg's AFS average weekly wage in 2004 was \$295, while Virginia's was \$271 and the nation's was \$283. Williamsburg's Retail Trade average weekly wage in 2004 was \$366, while Virginia's was \$450 and the nation's was \$470.

From 1990 to 2004, Williamsburg's percentage changes in the number of AFS and retail trade establishments compared fairly well against the state and the nation, while the City's percentage changes in the number of employees in these sectors declined compared to increases at the state and national level.

**Percentage Change in Number of Businesses and Employees
in Accommodations and Food Services: 1990-2004**

Area	Percent Change in Number of AFS Businesses	Percent Change in Number of AFS Employees
Williamsburg	42%	-1%
Virginia	42%	38%
United States	37%	34%

**Percentage Change in Number of Businesses and Employees
in Retail Trade: 1990-2004**

Area	Percent Change in Number of Retail Trade Businesses	Percent Change in Number of Retail Trade Employees
Williamsburg	4%	-2%
Virginia	3%	14%
United States	10%	12%

Comparisons with James City County and York County: 1990-2004

The City of Williamsburg is experiencing increased competition from two developing suburban counties, James City and York. The growth of these counties has outpaced the City's growth in part because the counties have far more developable land than the City. As the populations of the two counties have increased, so have their business markets, and retail and other business opportunities have grown within their boundaries.

Number of Business Establishments

Aligned with their population growth, James City and York both experienced consistent growth in their number of business establishments from 1990-2004. Both counties had more business establishments than Williamsburg in 1990, and both ended with more

establishments in 2004. Additionally, the counties did not experience the decline in business establishments that the City did after 1998.

Number of Employees

In 1990, James City and York each had fewer employees than Williamsburg, and all three localities experienced a positive growth in the number of employees until 2001, when Williamsburg experienced declines from 2001 to 2004. James City County has experienced declines since 2002, while York County has experienced consistent growth, with a sharper increase from 2003 to 2004. Since 1991, James City County's number of employees has surpassed the City's, and in 2004, York County's number of employees surpassed Williamsburg's number for the first time.

Average Weekly Wage

The average weekly wage of employees in all three localities has remained fairly similar, with all localities seeing a steady rise in the average weekly wage.

Overview

While Williamsburg did experience positive business and employment growth from 1990 to 2004, in percentage growth the City did not keep pace with James City County or York County.

**Percentage Change in Number of Businesses and Employees
in All Industries: 1990-2004**

Locality	Percent Change in Number of Businesses	Percent Change in Number of Employees
Williamsburg	9%	8%
James City County	71%	42%
York County	49%	52%

Comparison of Accommodation and Food Services (AFS) and Retail Trade Sectors with James City County and York County

With the counties of James City and York surpassing Williamsburg in the overall number of businesses and employees, an analysis of Williamsburg's largest industry shows Williamsburg remaining ahead of the counties in the AFS sector and falling below most of the counties' numbers in retail trade. It is noteworthy that York County's economic development efforts seem to have led to its numbers increasing more steeply in recent years.

When comparing the City's percentage changes in establishments and employees with the counties of James City and York, the City fared best in its percentage increase of AFS establishments, where it exceeded James City County's percentage growth. In the other three areas, the City fell short of the growth in each of the counties. Additionally, it is noteworthy that both the City and James City County fell well short of York County's growth in all four of these areas.

**Percentage Change in Number of Businesses and Employees
in Accommodations and Food Services: 1990-2004**

Locality	Percent Change in Number of AFS Businesses	Percent Change in Number of AFS Employees
Williamsburg	42%	-1%
James City County	38%	17%
York County	73%	71%

**Percentage Change in Number of Businesses and Employees
in Retail Trade: 1990-2004**

Locality	Percent Change in Number of Retail Trade Businesses	Percent Change in Number of Retail Trade Employees
Williamsburg	4%	-2%
James City County	9%	34%
York County	17%	135%

While the absolute numbers of businesses and employees in the counties has increased over the City's numbers, the City has fared well maintaining a regional market share given its demographic and land constraints. When the numbers are analyzed on a per capita and a per acre basis, Williamsburg significantly outperforms the counties as a retail and an employment center.

Retail Center Data

Retail Sales per capita (U.S. Economic Census Data)

- Williamsburg - \$27,130 per capita retail sales (highest in the state)
- James City County - \$7,024 per capita
- York County - \$5,767 per capita
- Virginia - \$9,293 per capita
- U.S. - \$11,993 per capita

Retail Sales by land area (U.S. Economic Census Data)

- Williamsburg - \$57,009 per acre retail sales
- James City County - \$3,297 per acre
- York County - \$4,708 per acre
- Virginia - \$2,469 per acre
- U.S. - \$1,495 per acre

Employment Center Data

Number of Jobs (2004 U.S. Department of Labor Data)

- Williamsburg – 17,383
- JCC – 22,058
- York – 18,743

Number of Jobs per capita (2003 Census Data)

- Williamsburg – 1.4 jobs per resident
- JCC – 0.5 jobs per resident
- York – 0.3 jobs per resident

Retail and Employment Comparisons

Locality	Percent of Population (2000)	Percent of Land Area	Percent of Retail Sales, in millions (2003)	Percent of Employment (Census-2005)
Williamsburg	10% (11,998)	3% (9 sq. miles)	22% (\$349.5)	30%
James City	41% (48,102)	55% (143 sq. miles)	40% (\$639)	38%
York	48% (56,297)	41% (106 sq. miles)	38% (\$618.2)	32%
Sources: U.S. Census and U.S. Department of Labor Bureau of Labor Statistics				

Details in Changes in Business Establishments and Business Revenues: 1997-2002

The Economic Census, which collects data every five years, provides details about the types of businesses and their revenues in a locality. For confidentiality reasons, the data are not complete and do not provide details about all businesses, but a thorough analysis of this data shows generally what types of businesses the City gained or lost and changes in business revenue by industry in a five year time frame. (A detailed explanation of the industry types is located in Appendix B.)

Number of Business Establishments City of Williamsburg, Virginia			
Industry Description	1997	2002	Net Gain/Loss
Retail Trade	163	146	-17
Accommodation and Food Service	140	140	0
Health & Social Assistance	61	62	+1
Professional, Scientific & Technical	34	58	+24
Other Service (except Public Administration)	35	41	+6
Real Estate & Rental & Leasing	32	36	+4
Administrative & Support & Waste Management	21	26	+5
Arts, Entertainment & Recreation	9	14	+5
Wholesale Trade	16	14	-2
Information	0	12	+12
Educational Services	2	6	+4
Source: U.S. Economic Census 1997 and 2002			
Note: Census data did not disclose all establishments			

During this five year time frame, the city experienced a significant net gain of twenty-four professional, scientific, and technical establishments and a net gain of twelve

information establishments. Also significant is the net loss of seventeen retail trade establishments.

1997 and 2002 Annual Sales, Shipments, Receipts, and Revenue of Businesses City of Williamsburg, Virginia			
Industry Description	1997	2002	Net Gain/Loss
Health & Social Assistance	\$45,099,000	\$228,800,000	\$183,701,000
Other Service (except Public Administration)	\$7,055,000	\$49,934,000	\$42,879,000
Accommodation and Food Service	\$204,834,000	\$200,332,000	-\$4,502,000
Real Estate & Rental & Leasing	\$40,884,000	\$29,909,000	-\$10,975,000
Administrative & Support & Waste Management	\$23,452,000	\$39,425,000	\$15,973,000
Retail Trade	\$330,198,000	\$270,497,000	-\$59,701,000
Professional, Scientific & Technical	\$28,472,000	Not disclosed	
Information		Not disclosed	
Educational Services		Not disclosed	
Arts, Entertainment & Recreation		Not disclosed	
Wholesale Trade	Not disclosed	\$19,253,000	
Source: U.S. Economic Census 1997 and 2002			
Note: Census data did not disclose all establishments			

While not complete, the Economic Census does illustrate changes in business sectors over time. From 1997-2002, Williamsburg experienced a decrease in retail trade establishments and revenue, a significant increase in revenue of the Health and Social Assistance industry, and significant increases in the number of Information and Professional, Scientific, and Technical establishments. Nationally, the number of retail trade establishment was flat and slightly negative during this time frame, so Williamsburg's decline is not surprising or unusual.ⁱ Additionally, Williamsburg's increase in the Health and Social Assistance industry mirrors national growth.ⁱⁱ However, the departure of Sentara Hospital to York County in 2006, should cause a temporary decrease in this industry until the proposed Riverside Doctor's Hospital in Williamsburg opens in 2009. Nationally, the Information industry experienced a decline in 2001,ⁱⁱⁱ so Williamsburg's net gain is promising for this area. Lastly, the Professional, Scientific, and Technical industry grew nationally,^{iv} matching Williamsburg's growth experience.

Summary

While it is useful to compare Williamsburg's business economy with its neighbors, the state, and the nation, Williamsburg's retail, hospitality, and employment center strengths are unique. The City's exceptionally high per capita retail sales is a clear indicator of this distinctiveness. Williamsburg truly is a world class destination, with an estimated one to four million visitors annually. In addition, Williamsburg's seat as an employment center increases its daytime population (not including visitors and tourists) by 79 percent to 21,497.^v

While the hospitality industry has experienced declines, the city and its partners aggressively are addressing this issue through the Williamsburg Area Destination Marketing Campaign, America's 400th Anniversary – Jamestown 2007 events, and other initiatives. The City contributes \$2.2 million annually to tourism marketing efforts, and the tourism economy is expected to increase in the upcoming years. While this industry typically provides lower paying and seasonal employment, it remains the lynchpin of Williamsburg's economy, which justifies the City's ongoing support.

Another lynchpin of Williamsburg's success is the quality of its economic and physical environment. By its very nature, quality is difficult to quantify, but the Williamsburg name itself connotes quality and attractiveness. The smallest city with the largest international address, Williamsburg demonstrates a very strong sense of place and attractiveness. In an annual survey, Williamsburg's residents are asked about the safety, attractiveness, and livability of the City. In 2004, respondents rated each factor above eight on a scale of one to ten as follows:

The City's Vision Statement calls for Williamsburg to become progressively safer, more beautiful, and more livable. On a scale of 1 to 10, how would you rate our city?												
Very Unsafe	1	2	3	4	5	6	7	8	9	10	Very Safe	(8.7)
Very Unattractive	1	2	3	4	5	6	7	8	9	10	Very Beautiful	(8.6)
Very Unlivable	1	2	3	4	5	6	7	8	9	10	Very Livable	(8.9)

To build on this renown and success, this lynchpin of quality should underscore all economic development goals and activities.

Areas for additional growth in Williamsburg's economy can be found in its two proposed major greenfield projects, High Street Williamsburg and Quarterpath at Williamsburg, and in redevelopment opportunities throughout the city. Based on potential economic impact and building on the City's current strengths, new business targets could include professional and business services, cultural arts, research and development, and niche markets. The City has an existing Economic Vitality Goal to "increase employment opportunities, income, business success, and city revenues by supporting and promoting the city's tourism base and other development and redevelopment opportunities." **The following plan builds on this overriding goal and proposes the following more detailed goals for Williamsburg's economic vitality.**

- 1. Existing businesses grow and prosper in the City, and Williamsburg's hospitality industry prospers during and after the Commemoration events of 2007.**
- 2. The economy of the City is more diversified, building on its current strengths in retail trade, tourism/hospitality and education, while growing emerging areas of cultural arts, research/development, and professional service offices.**

- 3. Williamsburg is known for its positive business environment.**
- 4. The infrastructure (parking, technology, sidewalks, water, sewer, streets) of Williamsburg supports the growth of quality business in the City.**
- 5. Williamsburg maintains a high quality sense of place that appeals to citizens, students, and visitors. Williamsburg remains a specialty entertainment, cultural, and retail center of the Historic Triangle.**

Strategic Directions

Strategic directions have been identified as actions for each of the five economic development goals of this plan. The required resources for each task are initial estimates of annual costs and will require detailed budget review.

Goal 1: Existing businesses grow and prosper in the City, and Williamsburg's hospitality industry prospers during and after the Commemoration events of 2007.

Rationale: Existing businesses are the engine of the economy and provide for eighty percent of all economic growth.^{vi} Williamsburg's existing financial strengths depend upon the continued prosperity and growth of its existing businesses. The hospitality industry will remain a sector that is key to the City's economic success, and the City should play to this strength with continued emphasis on tourism promotion through the Williamsburg Area Destination Marketing Campaign, the Convention and Visitors Bureau and the Colonial Williamsburg Foundation.

Action: Implement an Existing Business Program		
Task	Required Resources	Outcomes
1.1 EDM will visit existing businesses	Five hours staff time per visit	<ul style="list-style-type: none"> Respond to immediate needs Collect data to determine trends and larger needs
1.2 EDM will host quarterly business coffees	<ul style="list-style-type: none"> Eight hours staff time per quarter Advertising and supplies = \$1,000 	<ul style="list-style-type: none"> Respond to immediate needs Collect data to determine trends and larger needs Encourage peer to peer discussions and assistance
1.3 Sponsor Annual Business Appreciation Week Event(s)	Advertising and event costs = \$5,000	Existing businesses know the City appreciates their presence and work
1.4 Continue EDA Business Appreciation Award	Staff (Funds already allocated.)	Existing businesses know the City appreciates their presence and work
1.5 Continue EDA Sign Replacement Program	Staff (Funds already allocated.)	<ul style="list-style-type: none"> Enhancement of business environment and corridor aesthetics Replacement of non-conforming signs

Action: Implement an Existing Business Program		
Task	Required Resources	Outcomes
1.6 Create digital business newsletter	One time formatting cost = \$1,000 (Also listed under Goal 3.)	<ul style="list-style-type: none"> • Businesses are informed of information and opportunities • Maintain ongoing communication with business community
1.7 Facilitate technical assistance to businesses	Contribution to the local SBDC = \$3,000	Businesses know where to find assistance with their needs

Action: Continue the City's extraordinary support of the Hospitality Industry		
Task	Required Resources	Outcomes
1.8 Continue City support of destination marketing, through the Williamsburg Area Chamber of Commerce and Convention and Visitors Bureau, the Colonial Williamsburg Foundation, and the Williamsburg Area Destination Marketing Campaign	<ul style="list-style-type: none"> • Continued financial contributions to the Chamber of Commerce and the marketing efforts of the Colonial Williamsburg Foundation • Continued participation in the Williamsburg Area Destination Marketing Campaign with the \$2.00 transient occupancy tax 	<ul style="list-style-type: none"> • Increase in visitations • Increase in room nights sold • Longer lengths of stay by visitors
1.9 Continue City support of the Jamestown 2007 and America's 400 th Anniversary Commemoration	<ul style="list-style-type: none"> • Staff • City projects, including the regional wayfinding system, the Regional Arts Map and Redoubt Parks • Continued support of initiatives like Prepared, Care, and Share Certification 	Increased visitation during and after 2007 events

Action: Continue the City's extraordinary support of the Hospitality Industry		
Task	Required Resources	Outcomes
1.10 Continue City support of initiatives that enhance Williamsburg as a destination	<ul style="list-style-type: none"> • City projects, like the the Merchant Square Wi-Fi project, Festival Williamsburg, the Farmers' Market, and the Great City Walks • Continued support of special initiatives like Colonial Williamsburg's Revolutionary City and the Patriot Man Triathlon 	Longer lengths of visitor stays

Goal 2: The economy of the City is more diversified, building on its current strengths in retail trade, tourism/hospitality, and education, while growing emerging areas of cultural arts, research/development, and professional services.

Rationale: A diversified economy provides a more stable tax base and increases economic viability by providing protections against declines in specific industries. General declines in the hospitality industry and the relocation of Sentara Community Hospital are examples of declines in specific industries that affect the City's overall economy. This strategy is not to replace existing industries, but to recruit additional industries that will thrive with existing industries.

Action: Develop product for business locations		
Task	Required Resources	Outcomes
2.1 EDM will assist with High Street and Quarterpath projects	Staff	<ul style="list-style-type: none"> • 53,000 s.f. of Class A office space in High Street • Future Class A office space at Quarterpath
2.2 Inventory and market existing space with an online, searchable database	Staff	Prospects easily identify needed space
2.3 Identify and pursue redevelopment opportunities in geographic areas:	Staff and policy makers	Areas earmarked for redevelopment opportunities
Capitol Landing Road - Promote direct access to I-64 and HUB Zone designation to attract professional services businesses		<ul style="list-style-type: none"> • Higher wage jobs • Increased daytime market • Maintain employment center • Increased tax base
York Street - Promote vicinity to Colonial Williamsburg and Quarterpath developments for cultural arts, retail, and niche market businesses		<ul style="list-style-type: none"> • Maintain specialty/destination market • Increased daytime market • Maintain employment center • Increased tax base
Second, Penniman, and Page Streets - <ul style="list-style-type: none"> • Build on recent enhancements for commercial and retail businesses. • Promote vicinity to Colonial Williamsburg for cultural 		<ul style="list-style-type: none"> • Higher wage jobs • Increased daytime market • Maintain employment center • Increased tax base

Action: Develop product for business locations		
Task	Required Resources	Outcomes
arts and niche markets.		
Lower Richmond Road - Build on road enhancements, proximity to the College, existing office space, and Suter's presence for retail, Class B office, and niche market businesses		<ul style="list-style-type: none"> • Higher wage jobs • Increased daytime market • Maintain employment center • Increased tax base
Monticello Avenue - Promote vicinity to the future College expansion and Geriatric Center for research and development and niche market businesses		<ul style="list-style-type: none"> • Meet existing demand • Keep retail income in the City • Increased tax base
2.4 Develop Redevelopment Tools and Incentives:	Staff and policy makers	
Create Technology Zones in Redevelopment areas, where financial incentives can be offered to achieve specific goals (See Appendix D for state enabling legislation.)	Initial financial expenditures to encourage future tax revenues	Business expansion and locations in redevelopment areas
Create Partial Real Estate Tax Exemption Ordinance for Redevelopment Areas (See Appendix E for state enabling legislation.)	Temporarily forgo future increase in real property tax revenue	Encourages redevelopment and replacement of aging commercial buildings
Create an EDA Demolition and Marketing Program to allow the EDA to loan money for demolition and marketing in redevelopment areas, to be repaid when property sold	Initial capital for loan fund = \$100,000	Moves properties to the redevelopment market
Facilitate the Virginia Department of Environmental Quality Brownfield Assistance Program	Staff	Encourages redevelopment by limiting developer's environmental liability

Action: Target New Businesses		
Task	Required Resources	Outcomes
2.5 Identify Target Industries	Staff and policy makers	
Professional and Business Services* <ul style="list-style-type: none"> • Corporate Headquarters • Nonprofit Services • Trade Organizations • Firms seeking to employ W&M graduates 		<ul style="list-style-type: none"> • Higher wage jobs • Increased daytime market • Maintain employment center • Increased tax base
Cultural Arts* <ul style="list-style-type: none"> • Culinary Institute • Antique and Art Retail • Museums • Interests of Senior and Student Populations 		<ul style="list-style-type: none"> • Maintain specialty/destination market • Increased daytime market • Maintain employment center • Increased tax base
Research/Development* <ul style="list-style-type: none"> • Geriatric research • Spin offs from W&M research • History, anthropology • Politics, democracy, and global issues 		<ul style="list-style-type: none"> • Higher wage jobs • Increased daytime market • Maintain employment center • Increased tax base
Niche Markets* <ul style="list-style-type: none"> • Student Oriented Business • Senior Oriented Business – health services, cultural interests, wellness 		<ul style="list-style-type: none"> • Meet existing demand • Keep retail income in the City • Increased tax base
*Note: The listed industries examples are not the result of a thorough analysis of Williamsburg's ability to attract these businesses. Future pursuit of industries will involve a market analysis and assessment.		
2.6 Develop New Business Marketing Plan	One time cost = \$25,000 (Also listed under Goal 3.)	<ul style="list-style-type: none"> • Marketing tools that staff can use to promote economic development • Businesses and prospects recognize Williamsburg as a premiere business location
2.7 Create Action Teams to pursue specific targets	Staff, EDA, other partners	<ul style="list-style-type: none"> • New business location • Increased tax base • Increased employment

Action: Target New Businesses		
Task	Task	Task
2.8 Work with Economic Development Allies (HREDA, Chamber of Commerce, VEDP) to recruit businesses	Staff	Enhance Williamsburg's image as a business location
2.9 Consider financial incentives for new business locations	Initial financial expenditures to encourage future tax revenues	<ul style="list-style-type: none"> • New business location • Increased tax base • Increased employment

Action: Encourage entrepreneurial activities		
Task	Required Resources	Outcomes
2.10 Facilitate business development prospects	<ul style="list-style-type: none"> • Staff • Contribution to the local SBDC = \$3,000 (Also listed under Goal 1.) 	<ul style="list-style-type: none"> • Start up businesses created • Fewer start up businesses fail

Goal 3: Williamsburg is known for its positive business environment.

Rationale: Perceptions about a community are increasingly important to the economic development process. In order to recruit and retain professionals, businesses look for a community that has a strong sense of place and a positive image. Additionally, businesses seek communities that are pro-business and welcome business growth. However, in order to maintain its positive image, Williamsburg cannot sacrifice quality for the sake of business growth. A pro-business environment in Williamsburg will revolve around quality development. Maintaining high quality development requires regulatory processes, and Williamsburg does a good job moving quality projects through its regulatory processes. However, some of the public perceive Williamsburg's regulations as anti-business. In economic development, perception is as important as reality, so care should be given to fostering a positive business environment and image while maintaining the City's quality environment.

Action: Existing Business Outreach (Part of Existing Business Program under Goal 1)

Action: Economic Development Promotion Campaign		
Task	Required Resources	Outcomes
3.1 Develop marketing materials and graphics	One time cost = \$25,000 (Also listed under Goal 2.)	<ul style="list-style-type: none">• Marketing tools that staff can use to promote economic development• Businesses and prospects recognize Williamsburg as a premiere business location
3.2 Web site enhancement	Staff	Interactive and user friendly tools
3.3 Publicize details about development experiences in the City	Staff	Williamsburg known as a premiere business location
3.4 Create digital business newsletter	One time formatting cost = \$1,000 (Also listed under Goal 1.)	<ul style="list-style-type: none">• Public is informed of business information and opportunities• Maintain ongoing communication with the public and the business community

Goal 4: The infrastructure (parking, technology, sidewalks, water, sewer, streets) of Williamsburg supports the growth of quality business in the City.

Rationale: The existence of required infrastructure is an essential business location decision, from logistics and aesthetics perspectives. For example, retailers need parking places for customers, and customers like to shop in an attractive environment. The Prince George Street project and parking garage are excellent examples of the City's activities in this area. Other infrastructure needs include water, sewer, and road capacity. Williamsburg has addressed these issues through its Capital Improvement Program and general city management. Technology will remain an infrastructure issue for businesses, so the City should continue its proactive efforts in this area, like the WiFi project in Merchant's Square.

Action: Remain aware of changing infrastructure needs and capacities		
Task	Required Resources	Outcomes
4.1 EDM continues relationships with city departments and technology partners	Staff	Prospects, partners, and staff remain aware of each other's needs and goals
4.2 Investigate technology opportunities that enhance business retention and recruitment	Staff	Businesses have access to technology tools to enhance their operations.

Goal 5: Williamsburg maintains a high quality sense of place that appeals to citizens, students, and visitors. Williamsburg remains a specialty entertainment, cultural, and retail center of the Historic Triangle.

Rationale: Williamsburg's high quality environment is the overriding theme of its success and must be maintained for continued economic vitality.

Action: Embrace and facilitate opportunities to keep the Williamsburg experience fresh and exciting		
Task	Required Resources	Outcomes
5.1 EDM provides economic development perspective to potential projects	Staff	Additional staff resources and insight to move projects forward

Action: Work within the regulatory processes to insure that future development is high quality		
Task	Required Resources	Outcomes
5.2 EDM continues relationships with regulatory colleagues and partners	Staff	Prospects and regulatory staff remain aware of each other's needs and goals

ⁱ <http://www.bls.gov/iag/wholereetailtrade.htm>

ⁱⁱ <http://www.bls.gov/iag/eduhealth.htm>

ⁱⁱⁱ <http://www.bls.gov/iag/information.htm>

^{iv} <http://www.bls.gov/iag/profbusservices.htm>

^v www.city-data.com/city/Williamsburg-Virginia.html

^{vi} Virginia Department of Business Assistance, December 2005 Seminar, Richmond, Virginia.

Appendix A

State of Business in Williamsburg with Detailed Charts and Data Sources

While many sources of data about businesses currently operating in the City exist, the sources sometimes contradict each other because of the exclusion of some businesses for confidentiality reasons, and the use of the Williamsburg mailing address and zip codes in both James City County and York County further complicates reporting data.

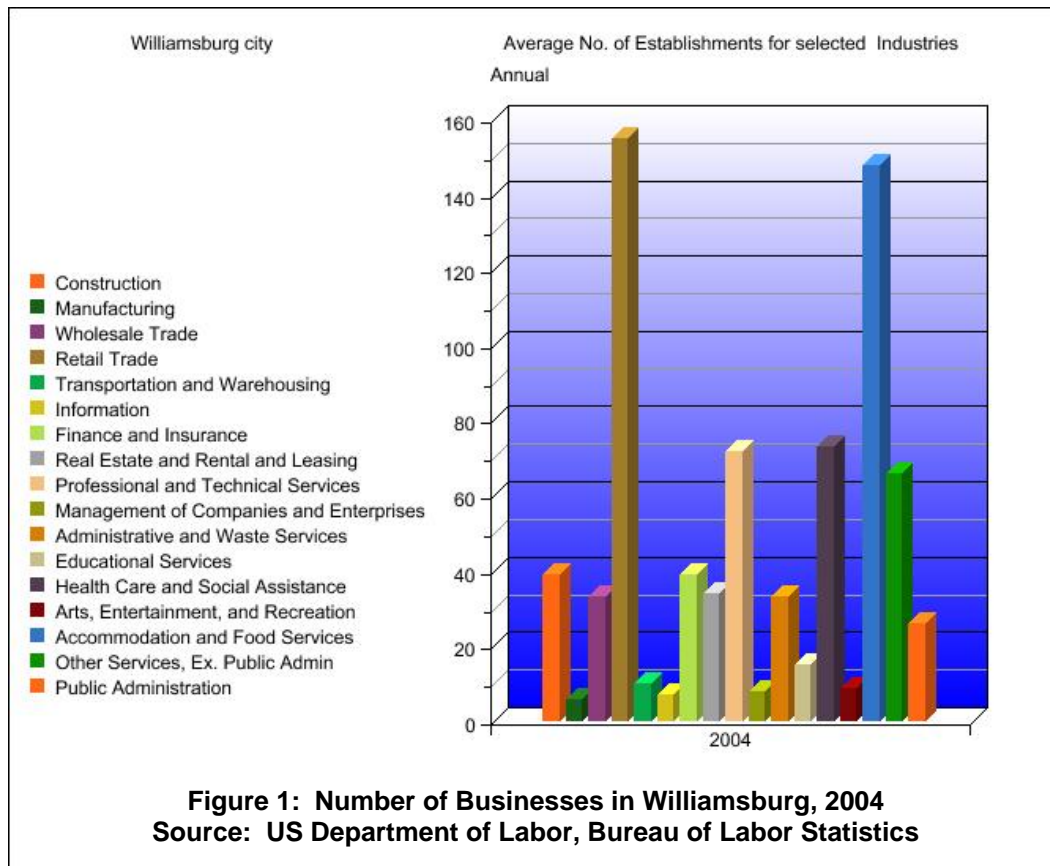
This plan draws from sources of data about businesses in the City that include:

- U.S. Census 2002 Economic Data,
- U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages,
- Williamsburg Commissioner of the Revenue BPOL data,
- Williamsburg Planning Department records, and
- Williamsburg Real Estate Assessors records.

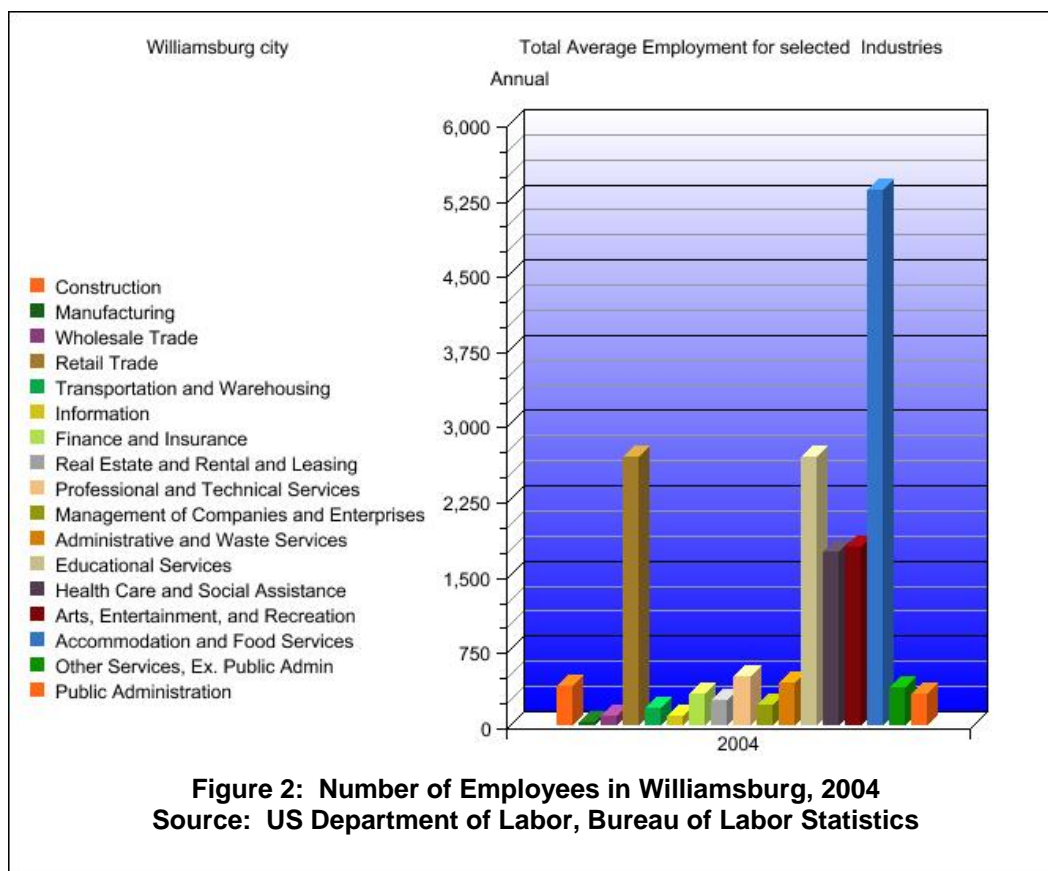
A combination of these data provides a picture of the current state and historical trends of business in Williamsburg.

Overview of Industry in Williamsburg: A 2004 Snapshot

The U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages program publishes a quarterly count of employment and wages reported by employers covering 98 percent of U.S. jobs. This comprehensive employment and wage data by industry and geographic area provides data for workers covered by State Unemployment Insurance laws.¹ This information was used to illustrate the following snapshot of Williamsburg's economy.



In 2004, 774 business establishments operated in the City of Williamsburg, employing 17,383 people earning an average weekly wage of \$537. Most of these business establishment and employees fall within the hospitality industry (Retail Trade and Accommodation and Food Services), as illustrated by Figure 1 and Figure 2.

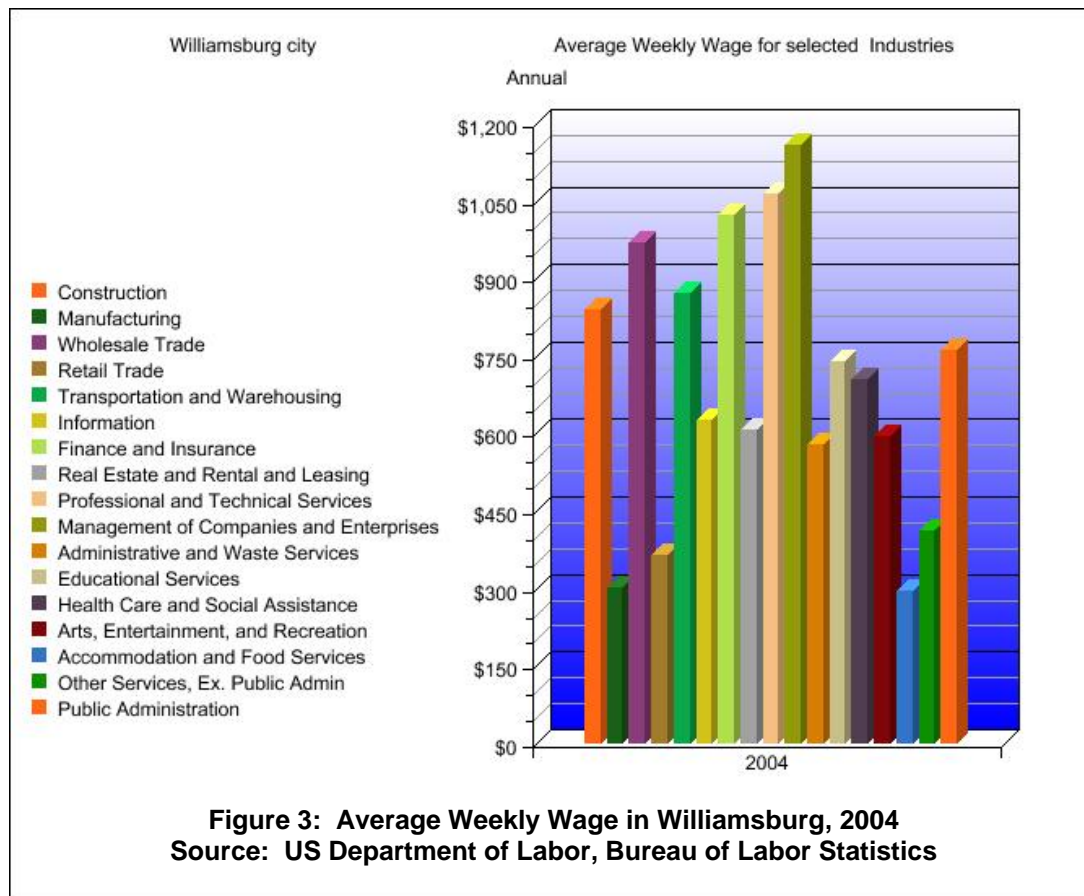


Due to its large hospitality industry, the Retail Trade and the Accommodation and Food Services (AFS) sectors of Williamsburg's economy are the main economic drivers in the areas of revenue, establishments, and employment. In terms of number of businesses and number of employees, these sectors take the lead with 155 retail trade business establishments, 2,682 retail trade employees, 148 AFS establishments, and 5,342 AFS employees. Due to the strength of these sectors, Williamsburg has the highest per capita retail sales (\$27,130) in the state. Additionally, these sectors provide a significant portion of the City's tax base. The City receives direct annual tax revenue from this sector in the form of room tax receipts averaging \$4 million, sales tax receipts averaging \$3 million, and meal tax receipts averaging \$5.5 million. This direct annual revenue consists of \$12.5 million annually, which accounts for 43 percent of the City's revenue. Other tax receipts from these sectors are more difficult to quantify but include a portion of the following receipts: business license fees, cigarette taxes, real property tax, personal property tax, franchise fees, and utility taxes.

According to the Williamsburg Planning Department, current hospitality businesses in the City include:

- 64 Hotels/motels
- One Timeshare
- 83 Restaurants
- 24 Bed and Breakfast establishments

The Planning Department also tracks the net change in hotel rooms and restaurants in the city. From 1990 to 2005, the City experienced a net gain of 375 hotel rooms (1,086 built, 711 demolished or converted) and a net gain of eighteen restaurants.



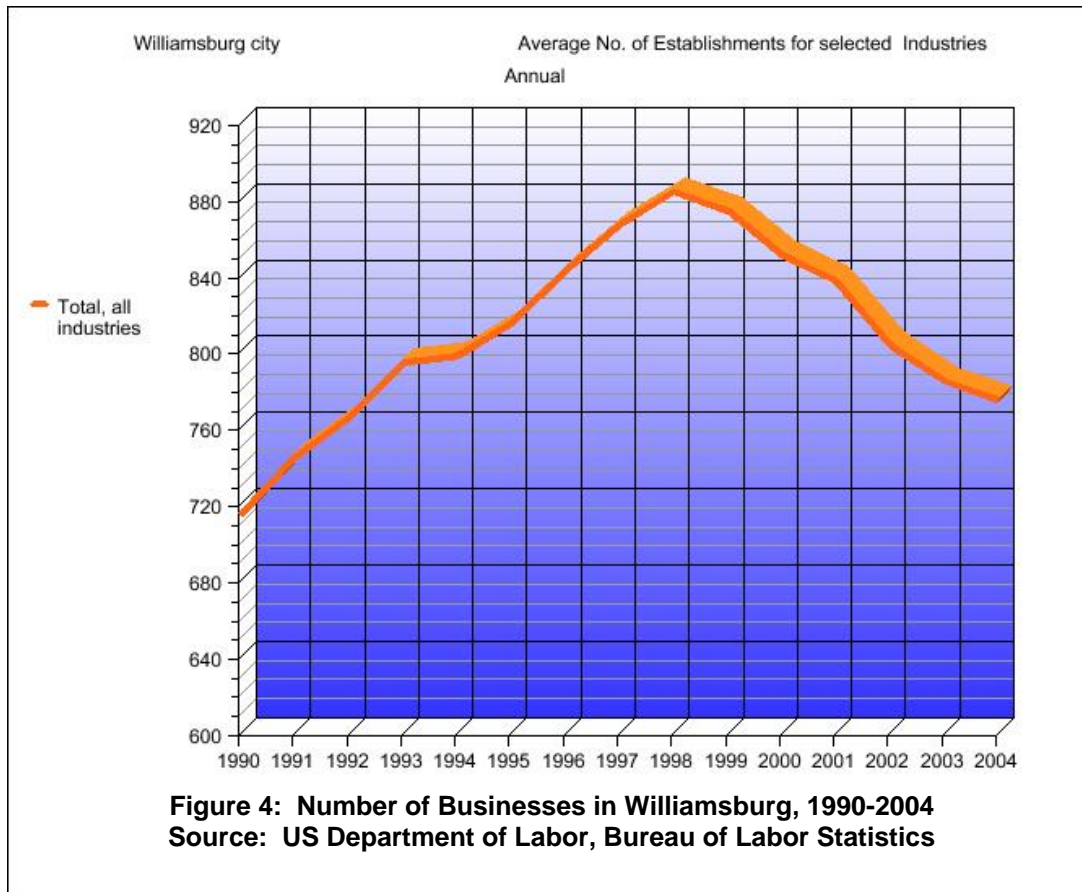
While providing the majority of the City's tax base, these sectors provide some of the lowest paying wages of the economy. The average weekly wage of the 5,342 AFS employees is \$295, and the average weekly wage of the 2,682 Retail Trade employees is \$366. Williamsburg's highest paying industry is the Management of Companies and Enterprises, which employs 198 people earning an average weekly wage of \$1,159 at eight establishments.

2004 Annual Quarterly Census of Employment And Wages Sector (2 digit) data for Williamsburg City, Aggregate of all types				
NAICS Code	Industry	Average Establishments	Average Employment	Average Weekly Wage
23	Construction	39	391	\$842
31-33	Manufacturing	6	32	\$301
42	Wholesale Trade	33	87	\$969
44-45	Retail Trade	155	2,682	\$366
48-49	Transportation and Warehousing	10	173	\$872
51	Information	7	92	\$627
52	Finance and Insurance	39	311	\$1,023
53	Real Estate and Rental and Leasing	34	255	\$609
54	Professional and Technical Services	72	495	\$1,065
55	Management of Companies and Enterprises	8	198	\$1,159
56	Administrative and Waste Services	33	431	\$581
61	Educational Services	15	2,675	\$740
62	Health Care and Social Assistance	73	1,732	\$707
71	Arts, Entertainment, and Recreation	9	1,773	\$595
72	Accommodation and Food Services	148	5,342	\$295
81	Other Services, Ex. Public Admin	66	382	\$412
92	Public Administration	26	313	\$763
	All Industries, Average Total	774	17,383	\$537
Source: Labor Market Statistics, Covered Employment and Wages Program				

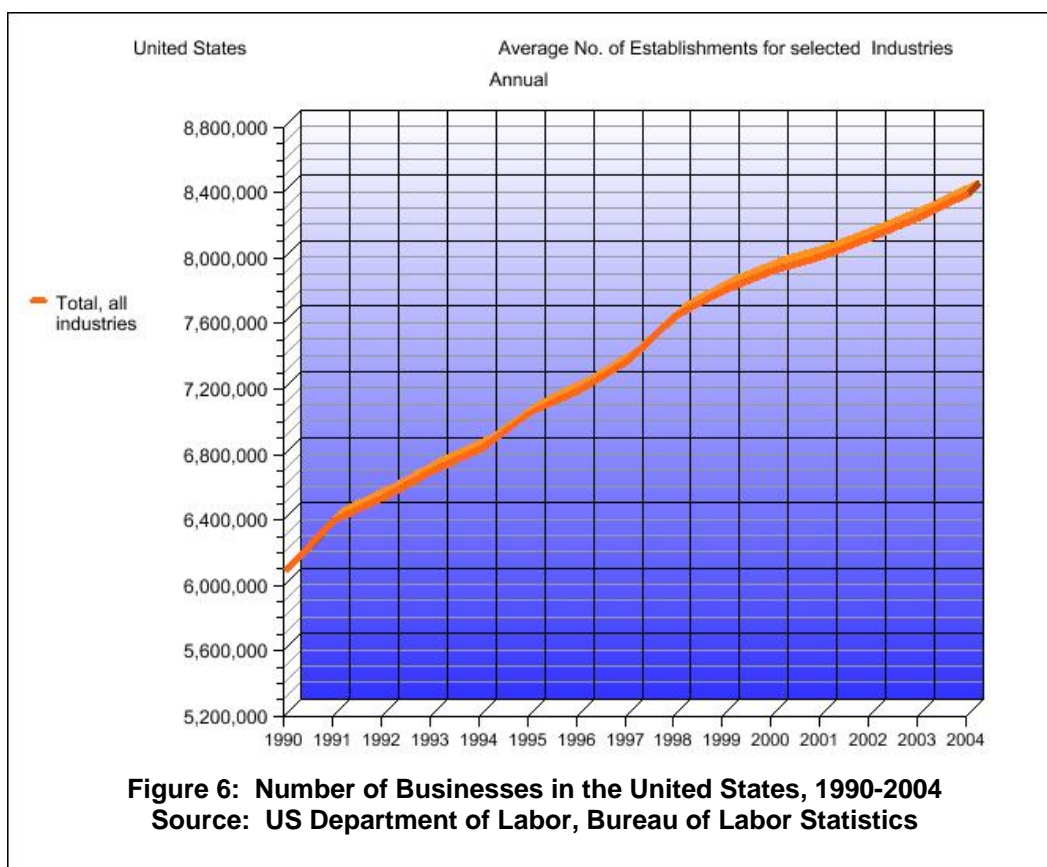
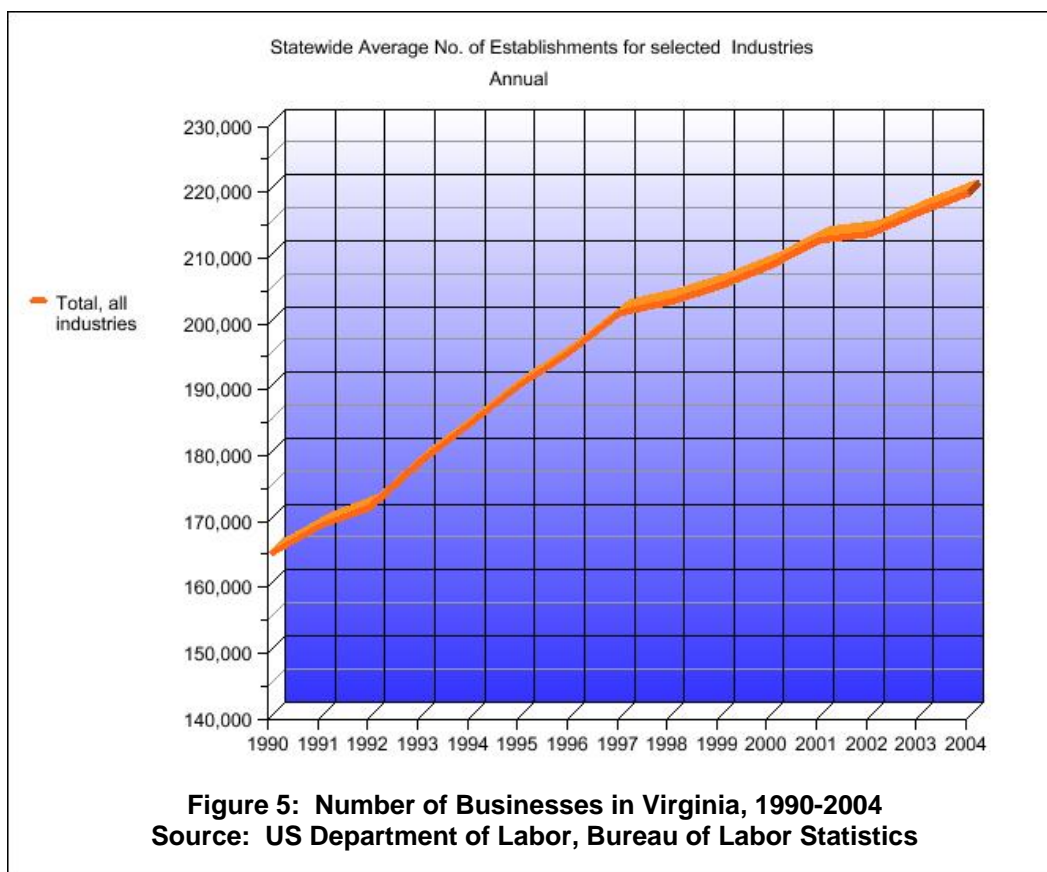
Change in Business Statistics: 1990-2004

Number of Business Establishments

A review of the last fifteen years of business statistics shows more businesses operating in the City in 2004 than in 1990, but the number of City businesses reached a peak in 1998 and has declined since then.

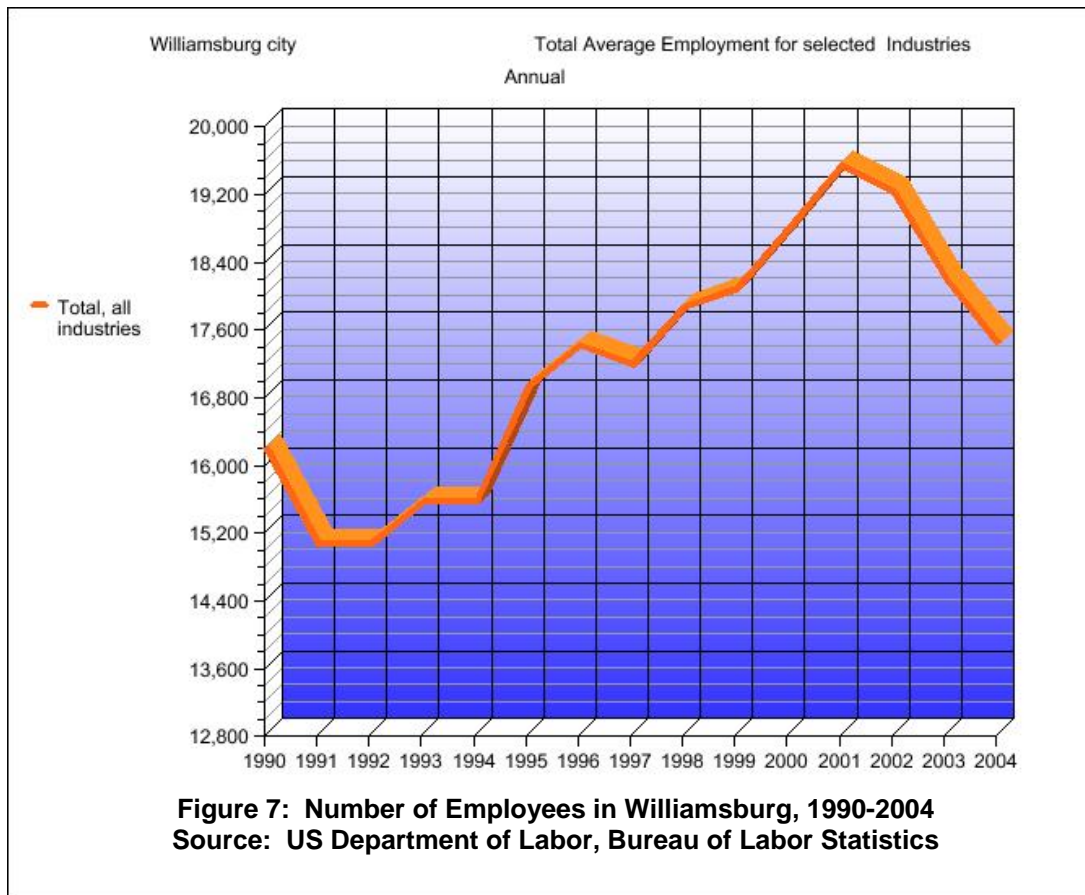


During the same time frame (1990-2004), the Commonwealth of Virginia and the United States as a whole experienced steady growth in the number of business establishments, which is a sharp contrast to Williamsburg's experience after 1998.

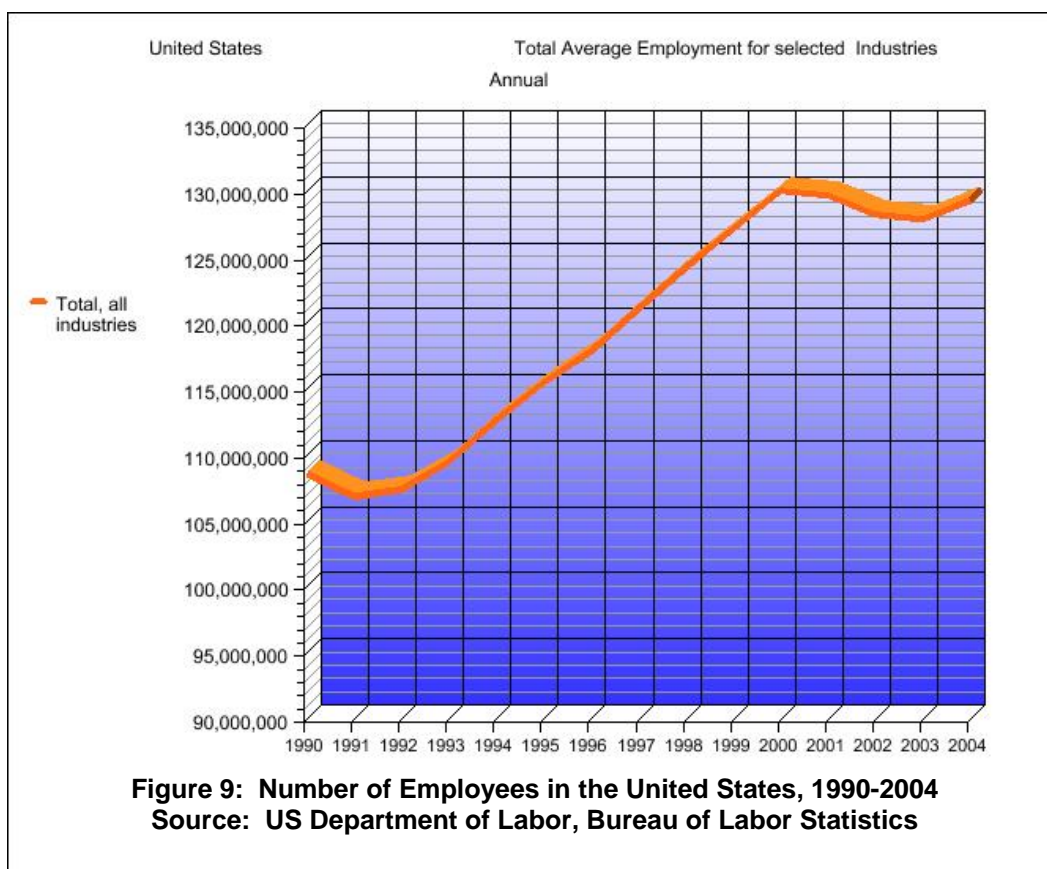
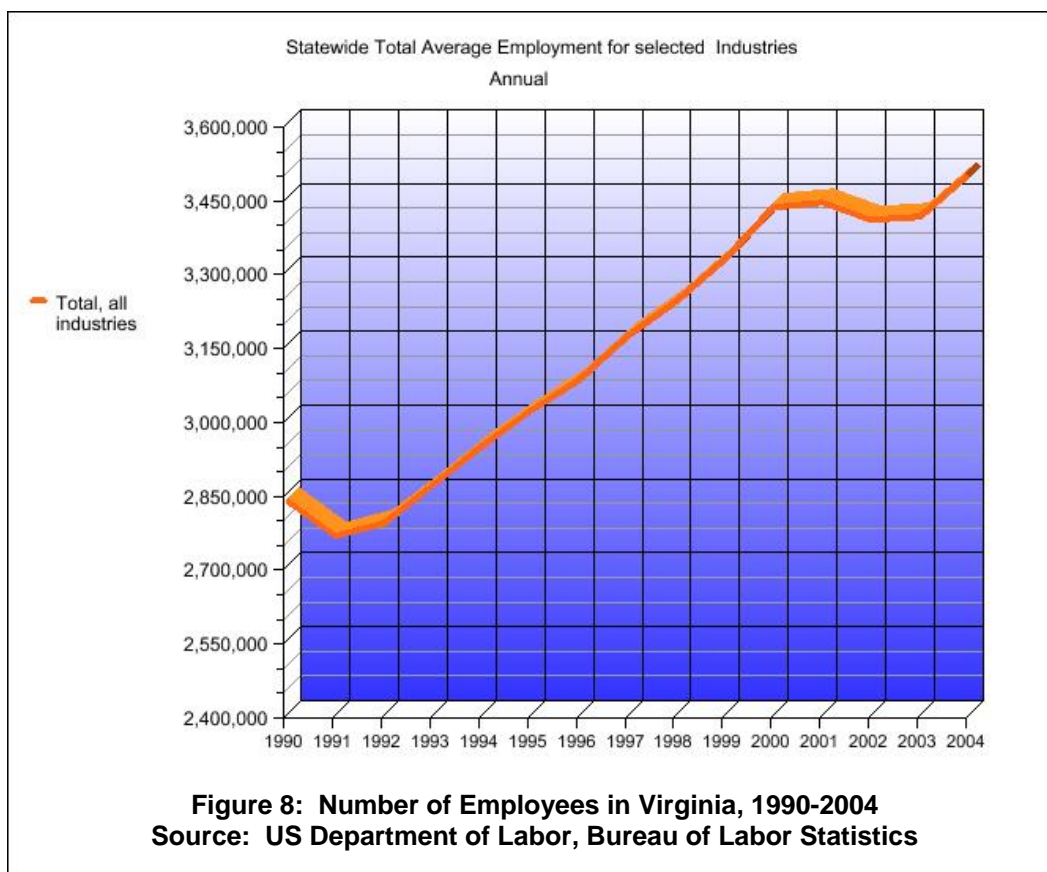


Number of Employees

The number of employees in the City was also greater in 2004 than in 1990, but this trend line shows more ups and downs, with a peak in 2001 and declines in 1991, 1997, 2002, 2003, and 2004.

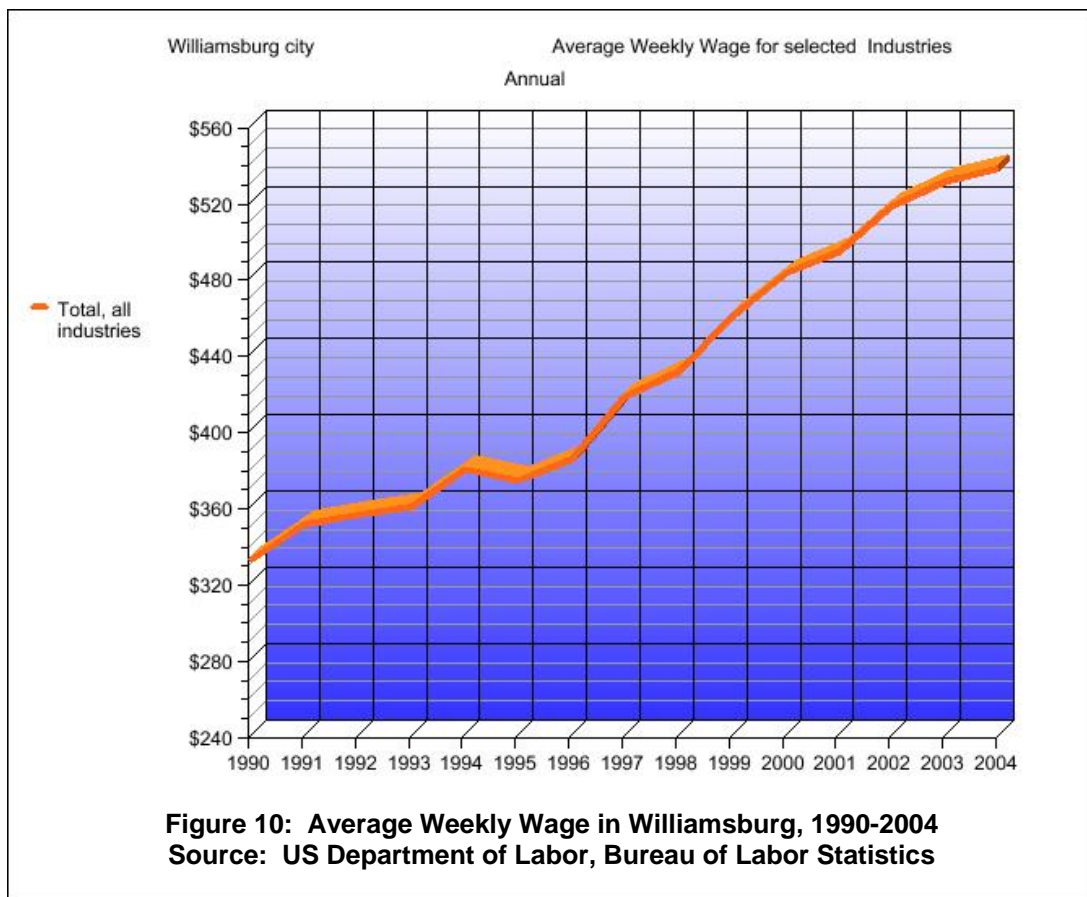


During the same time frame (1990-2004), the Commonwealth of Virginia and the United States as a whole experienced a decline in the number of employees in 1991, 2001, 2002, and 2003. Williamsburg follows this trend in number of employees except that it experienced additional declines in 1997 and 2004 and an increase in 2001.

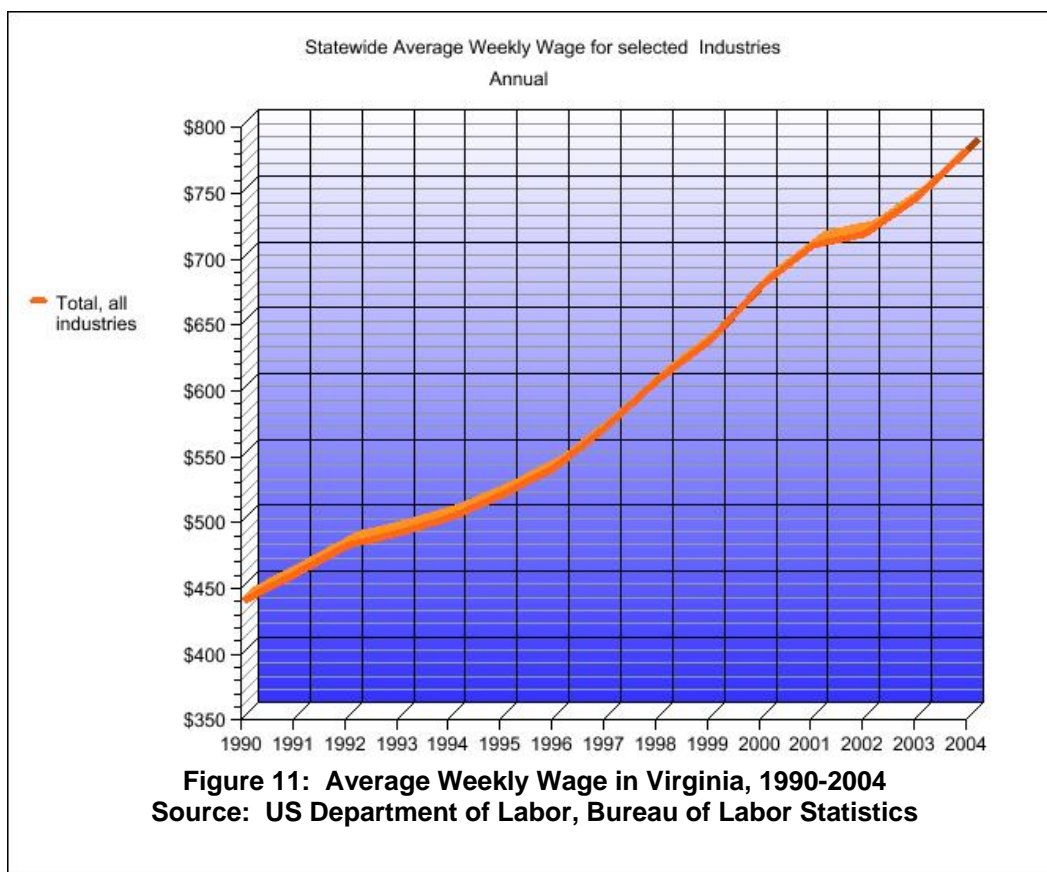


Average Weekly Wage

The average weekly wage in Williamsburg has increased from 1990 to 2004, except for 1995, when it experienced a very small decline of one percent. (Numbers are not adjusted for inflation.)



The Commonwealth of Virginia and the United States both experienced increases in the average weekly wage during the same period. However, Virginia's (\$779) and the nation's (\$757) 2004 average weekly wage are significantly higher than Williamsburg's (\$537).



While Williamsburg did experience business and employment growth from 1990 to 2004, in percentage growth the City did not keep pace with the Commonwealth of Virginia or the United States as a whole.

**Percentage Change in Number of Businesses and Employees
in All Industries: 1990-2004**

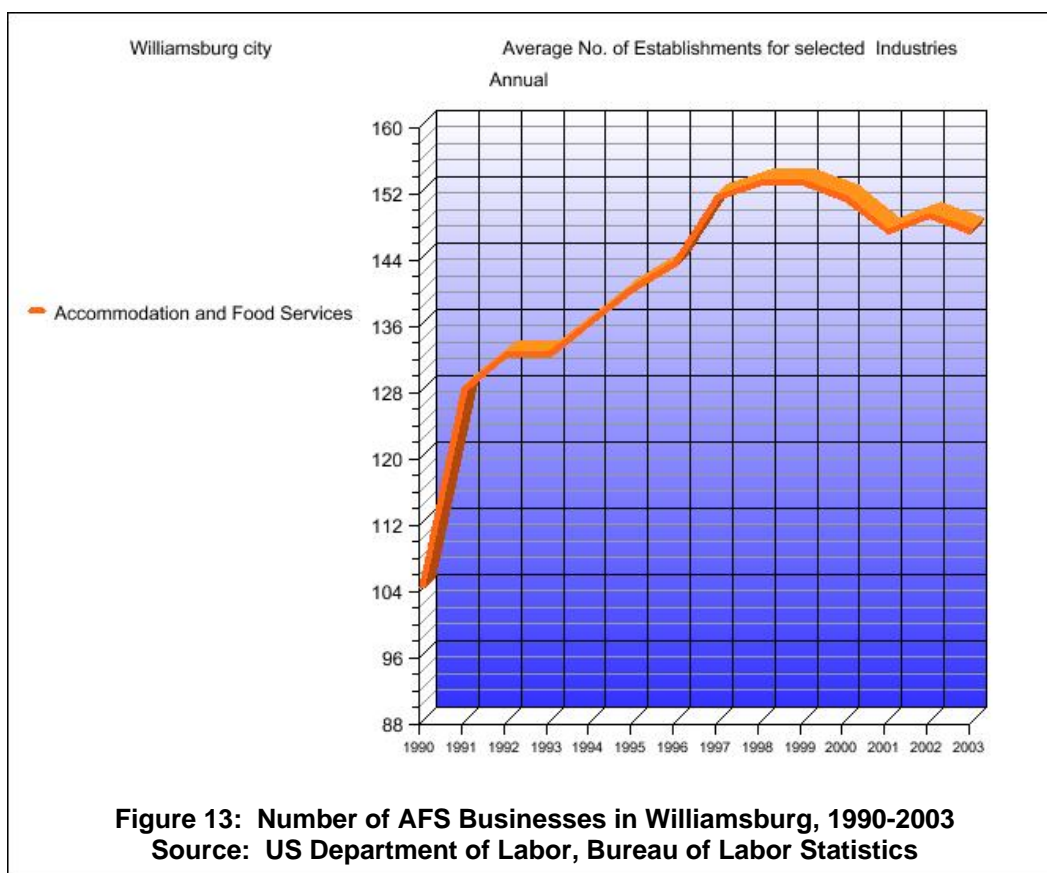
Area	Percent Change in Number of Businesses	Percent Change in Number of Employees
Williamsburg	9%	8%
Virginia	33%	23%
United States	38%	19%

Changes in Hospitality Industry: 1990-2004

Two industry sectors can be analyzed further to better understand the hospitality industry that dominates Williamsburg's economy. These two sectors are the Accommodation and Food Services sector and the Retail Trade sector.

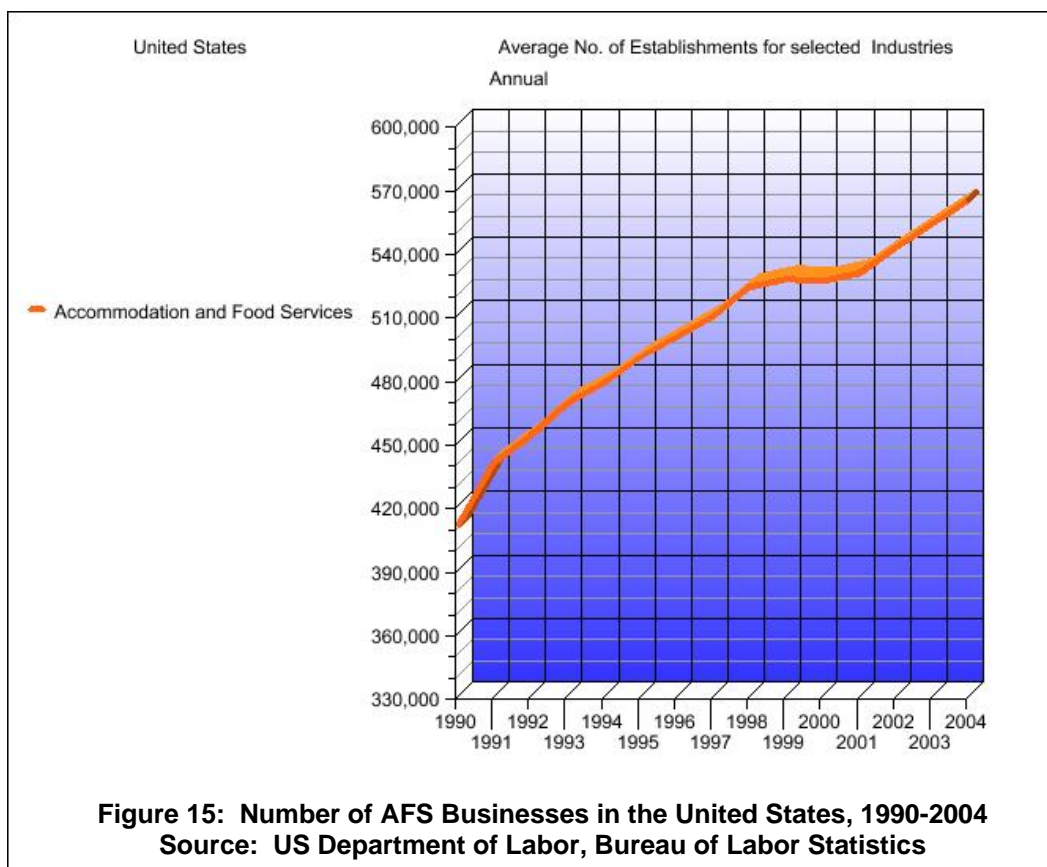
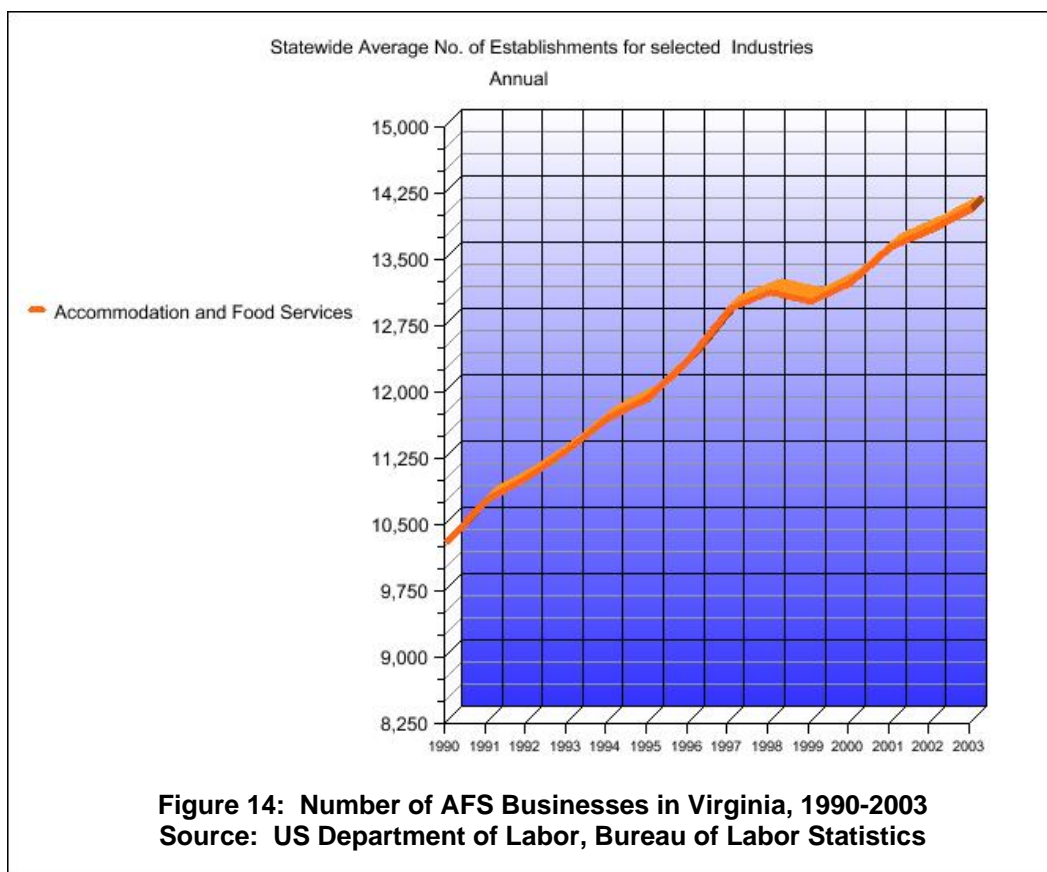
Number of Accommodation and Food Services (AFS) Business Establishments

A review of the last fifteen years of Accommodation and Food Services business statistics shows significantly more (42 percent increase) of these businesses operating in the City in 2004 than in 1990, but the number of these City businesses reached a peak in 1999 and has declined since then. While 2004 data does not appear in Figure 13, the number of AFS businesses remained fairly level from 2003 to 2004, with 147 establishments in 2003 and 148 establishments in 2004.



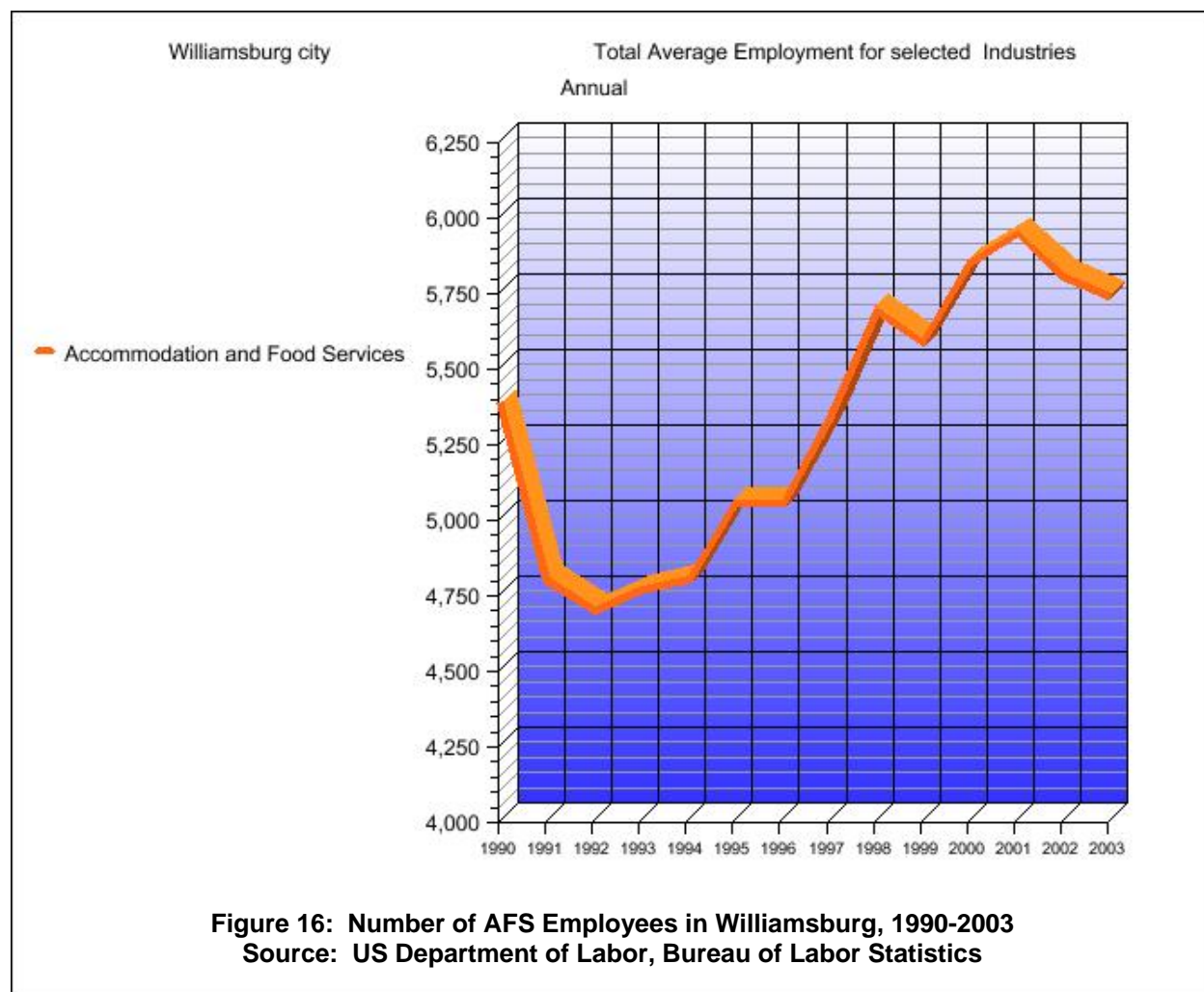
During the same time frame (1990-2004), the Commonwealth of Virginia experienced a decline in the number of AFS businesses in 1999, and experienced the same 42 percent increase as the City from 1990 to 2004. Similarly, the United States as a whole experienced growth of 37 percent, but with no declines in the number of AFS business establishments during this time frame.

Note: At printing, the Virginia Electronic Labor Market Access was unable to include 2004 data on the following charts: AFS and Retail Trade information for Williamsburg and Virginia. The document text includes the 2004 data.

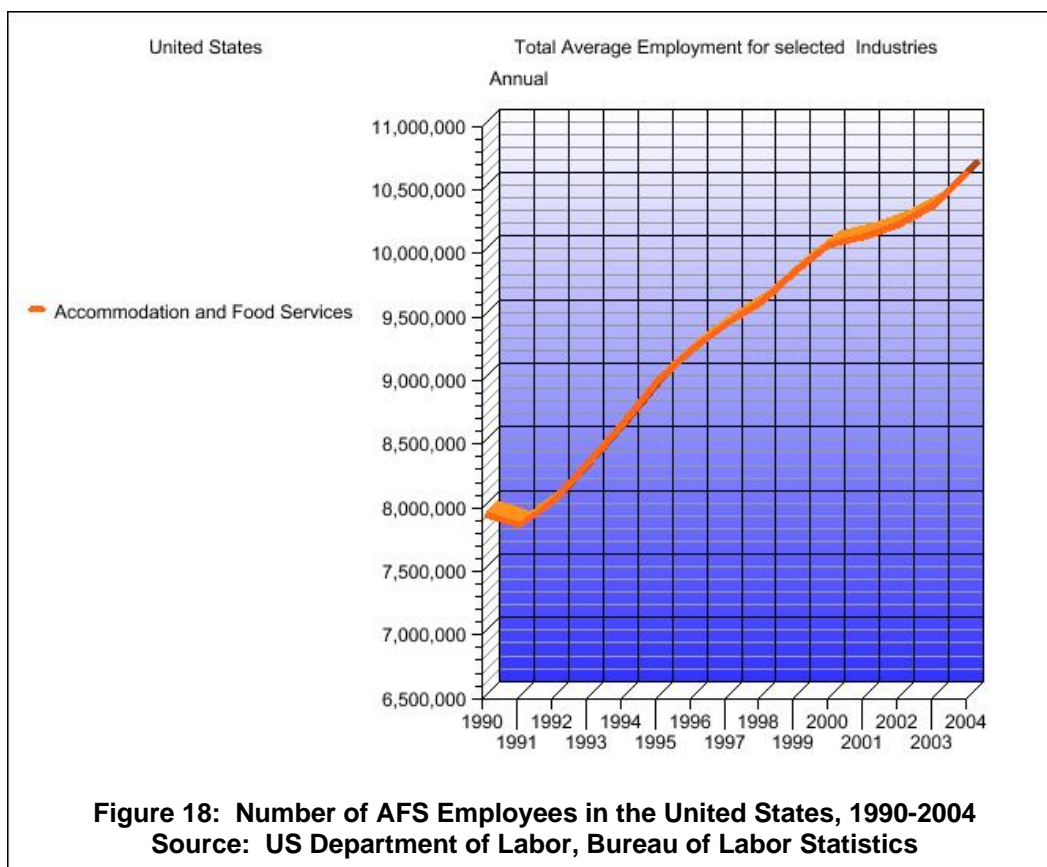
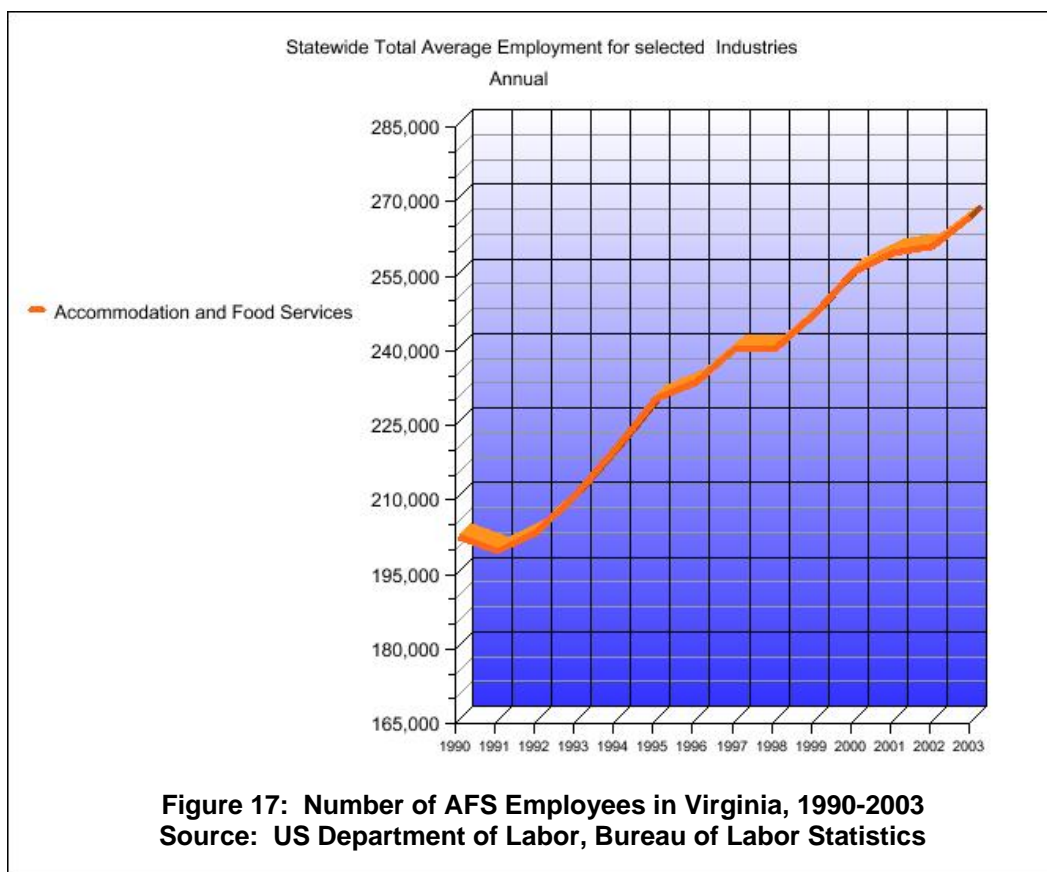


Number of Accommodation and Food Services (AFS) Employees

The number of AFS employees in the City is slightly less in 2004 (5,342 AFS employees) than in 1990 (5,380 AFS employees), and this trend line shows ups and downs throughout the time period, with a low in 1992 and declines since 2001.

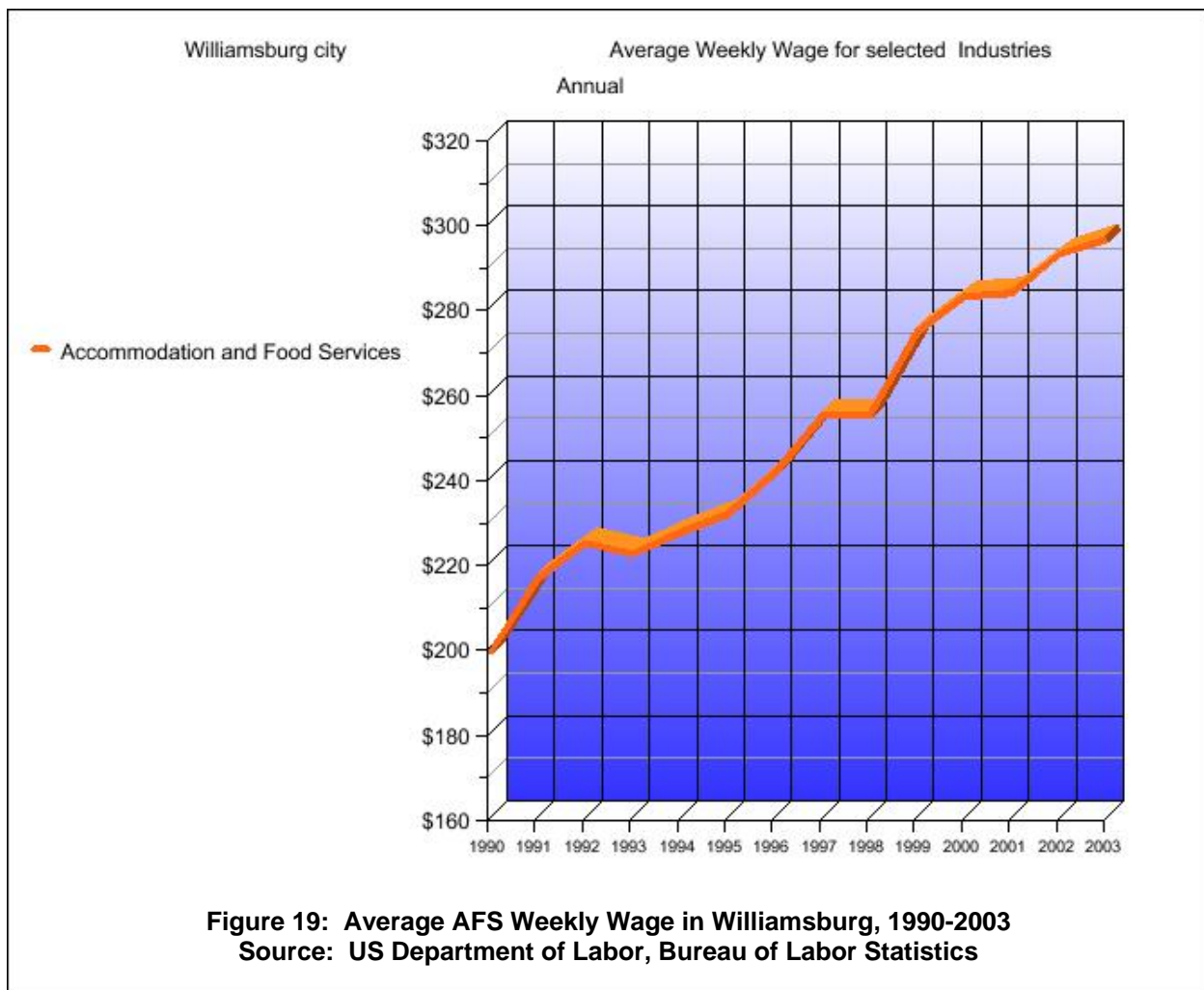


During the same time frame (1990-2004), the Commonwealth of Virginia and the United States as a whole experienced increases in AFS employment, except a decline of one percent both in Virginia and in the United States in 1991. Comparatively, Williamsburg's 1991 decline was ten percent, and Williamsburg had additionally declines in 1992 (two percent), 1999 (two percent), 2002 (two percent), 2003 (one percent), and 2004 (seven percent).

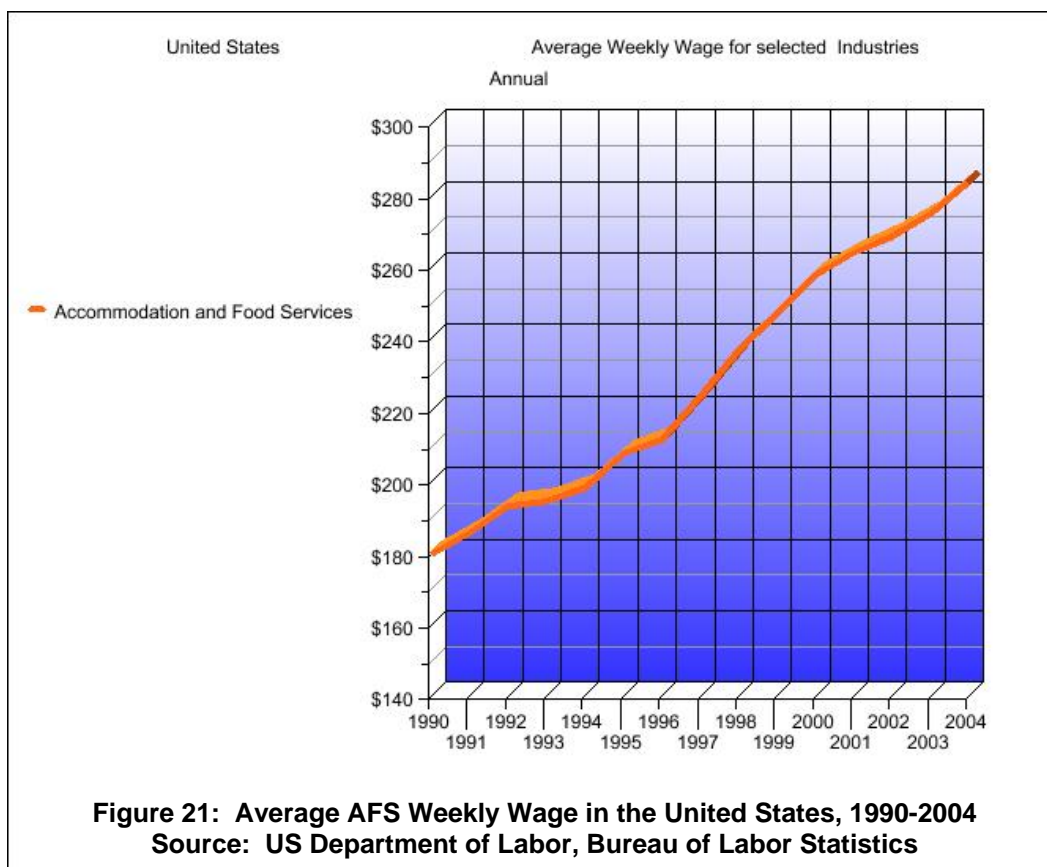
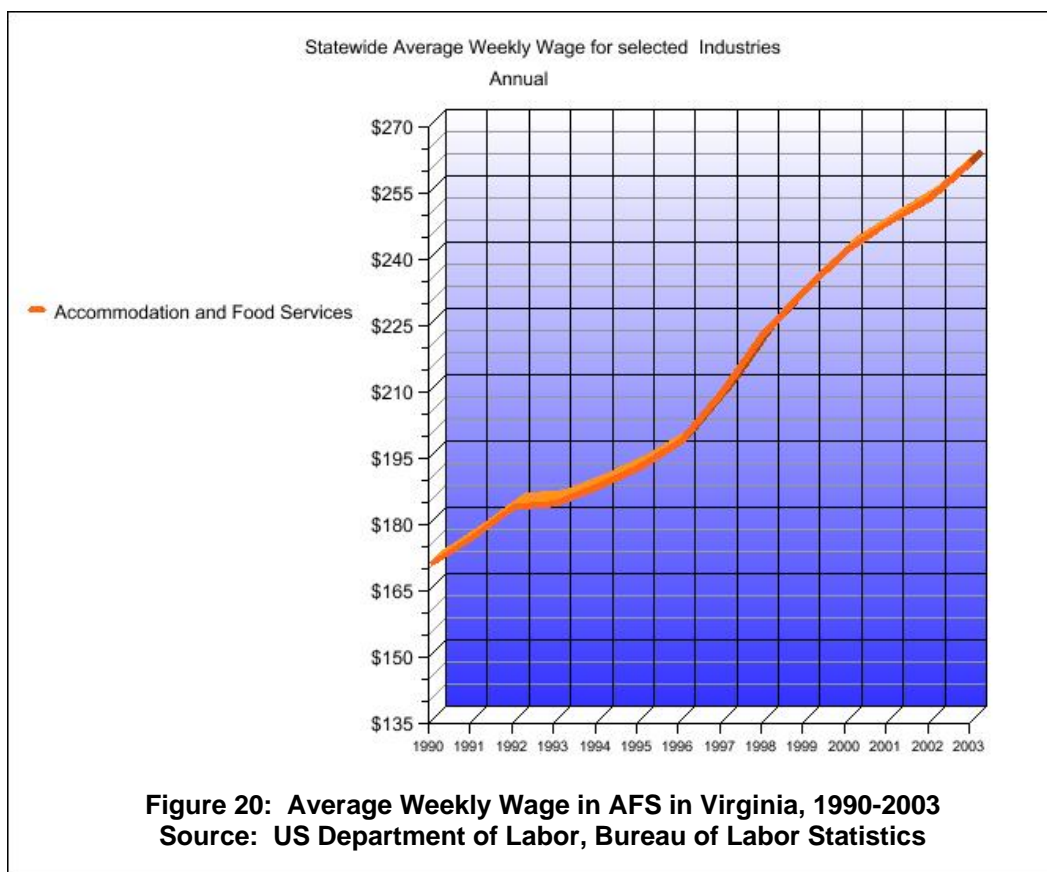


Average Accommodation and Food Services (AFS) Weekly Wage

The average weekly wage of AFS employees in Williamsburg has increased from 1990 to 2004, except for very small decreases (less than one percent) in 1993 and 2004. (Numbers are not adjusted for inflation.)

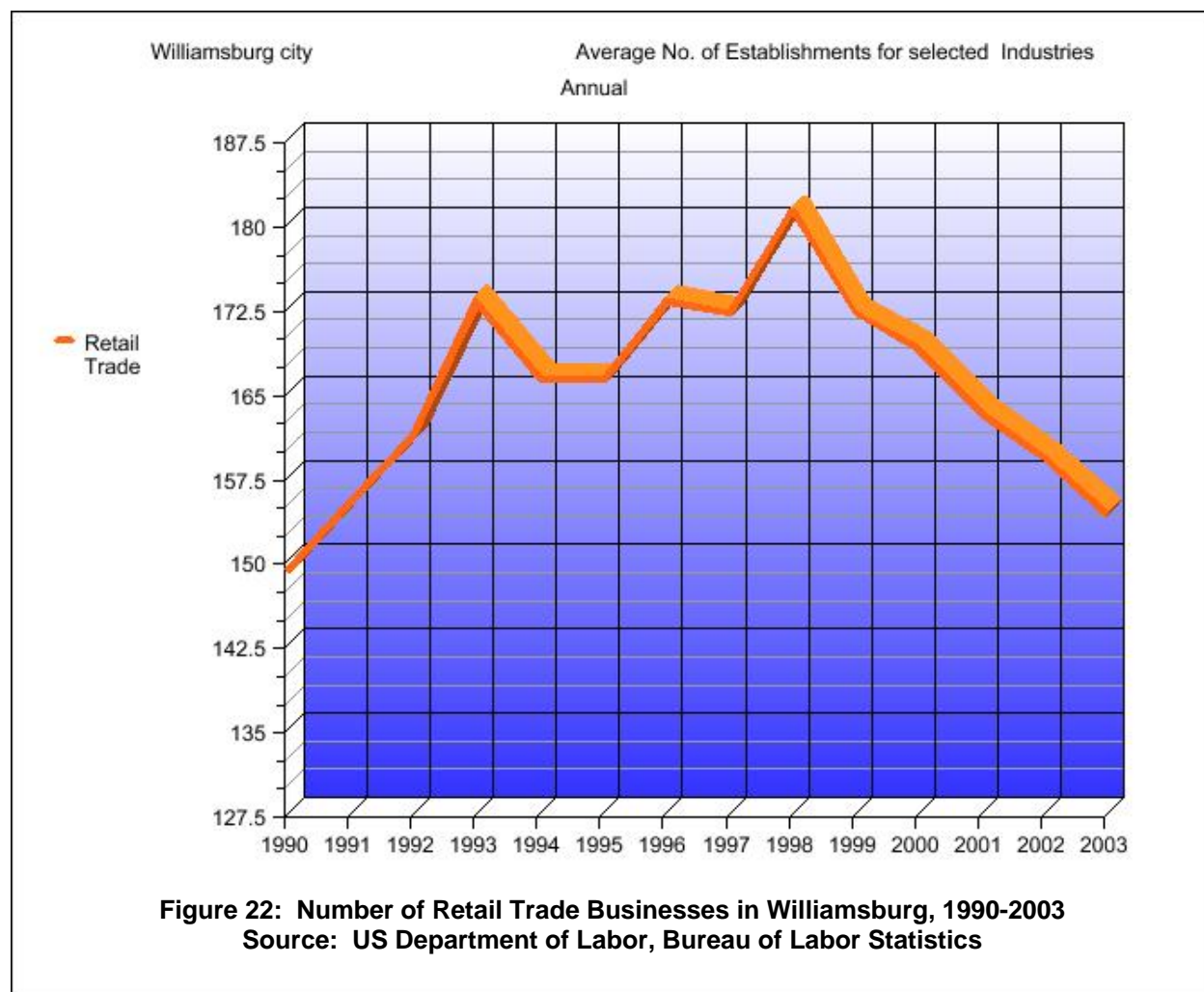


The Commonwealth of Virginia and the United States both experienced increases in the AFS average weekly wage during the same period. While the average weekly wage in the AFS sector is lower than most other sectors, Williamsburg's AFS average weekly wage is slightly higher than both Virginia's and the nation's during the same time period. Williamsburg's AFS average weekly wage in 2004 was \$295, while Virginia's was \$271 and the nation's was \$283.



Number of Retail Trade Business Establishments

A review of the last fifteen years of Retail Trade business statistics shows slightly more (four percent increase) of these businesses operating in the City in 2004 than in 1990, but the number of these City businesses reached a peak in 1998 and declined through 2003. While 2004 data do not appear in Figure 22, the number of Retail Trade businesses remained fairly level from 2003 to 2004, with 154 establishments in 2003 and 155 establishments in 2004.



The Commonwealth of Virginia experienced declines in the number of Retail Trade businesses since 1997, with a small increase of three percent from 1990-2004. Similarly, the United States as a whole experienced declines in 1991, 2000, 2001, 2002, 2003, and 2004, with an overall increase of ten percent from 1990 to 2004.

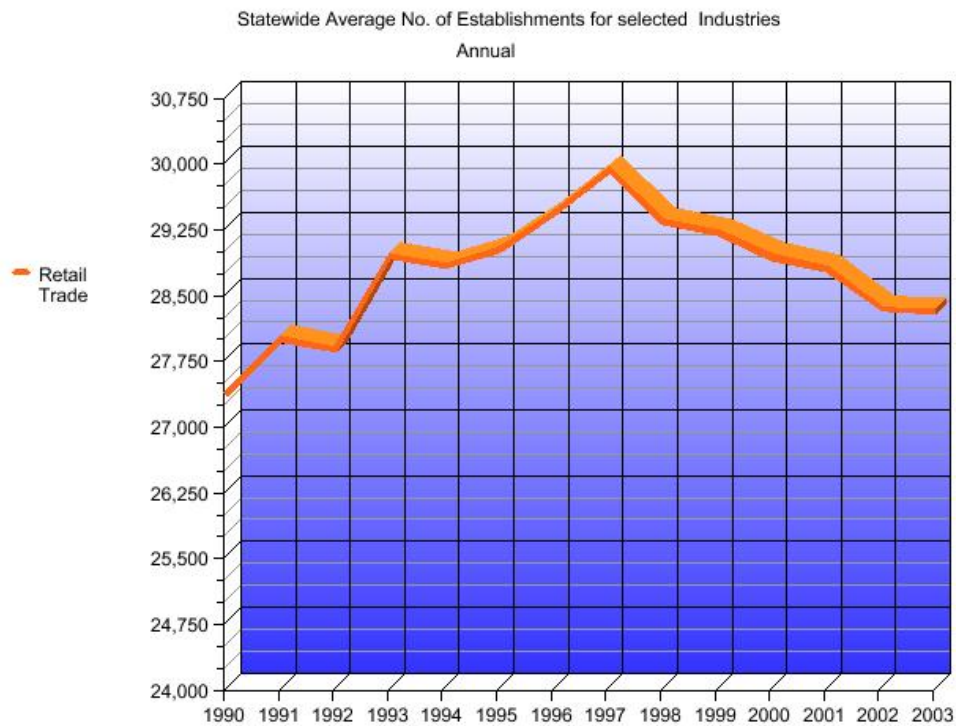


Figure 23: Number of Retail Trade Businesses in Virginia, 1990-2003
Source: US Department of Labor, Bureau of Labor Statistics

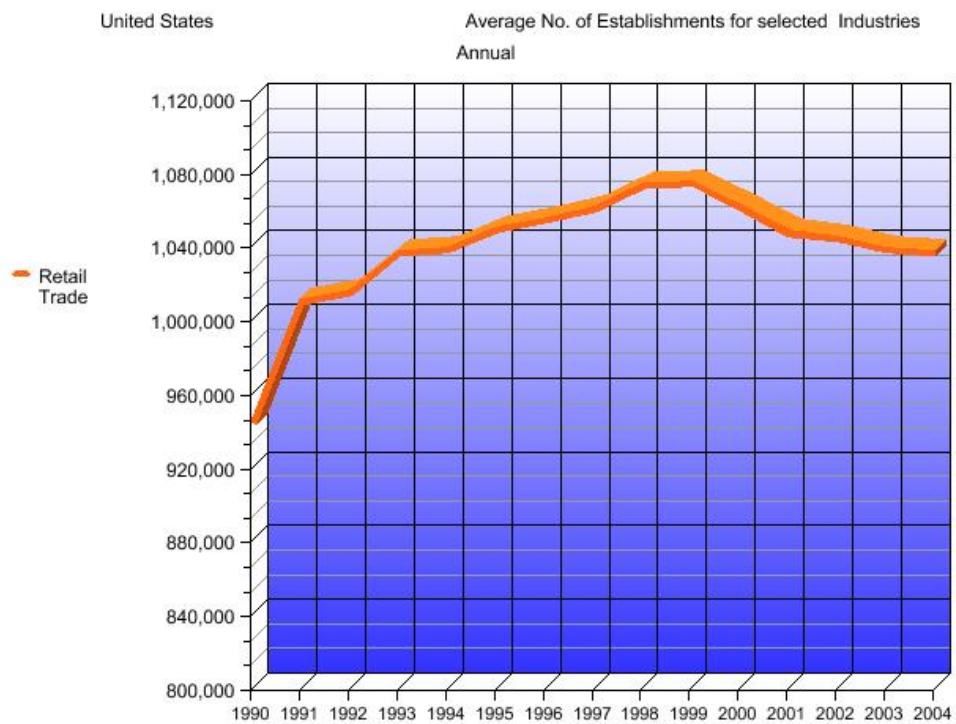
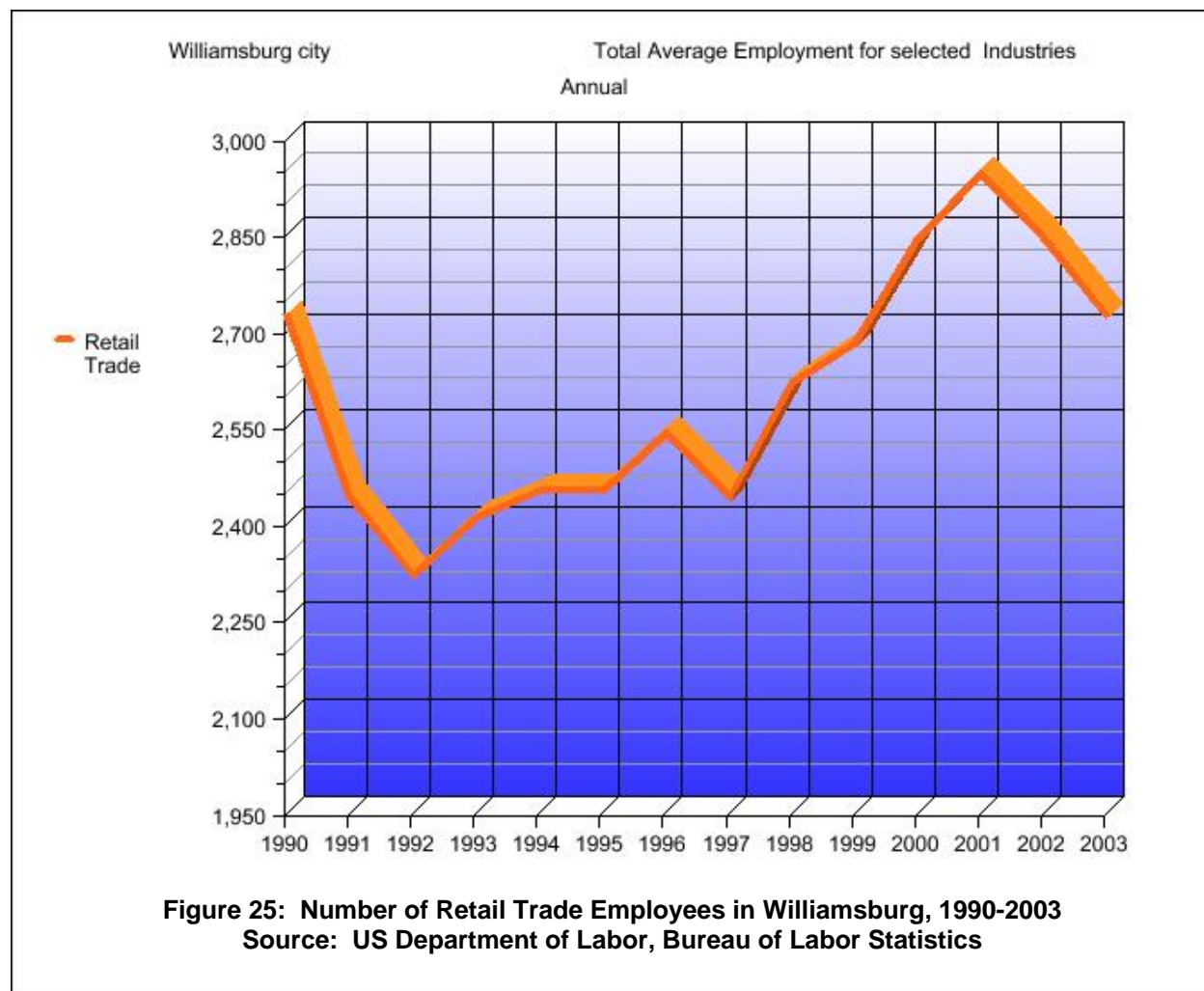


Figure 24: Number of Retail Trade Businesses in the United States, 1990-2004
Source: US Department of Labor, Bureau of Labor Statistics

Number of Retail Trade Employees

The number of Retail Trade employees in the City is slightly less in 2004 (2,682 Retail Trade employees) than in 1990 (2,728 Retail Trade employees), and this trend line shows ups and downs throughout the time period, with a low in 1992 and declines since 2001. This retail trade employment trend line compares closely with the AFS sector in Williamsburg.



During the same time frame (1990-2004), the Commonwealth of Virginia and the United States as a whole experienced similar Retail Trade employment trends, with lows in 1992, peaks in 2000, and declines from 2000 to 2003. In contrast to Williamsburg, Virginia and the nation experienced slight increases in 2004. Additionally, while Williamsburg's percent change in retail trade employment from 1990 to 2004 was negative two percent, Virginia experienced an increase of fourteen percent, and the nation experienced an increase of twelve percent.

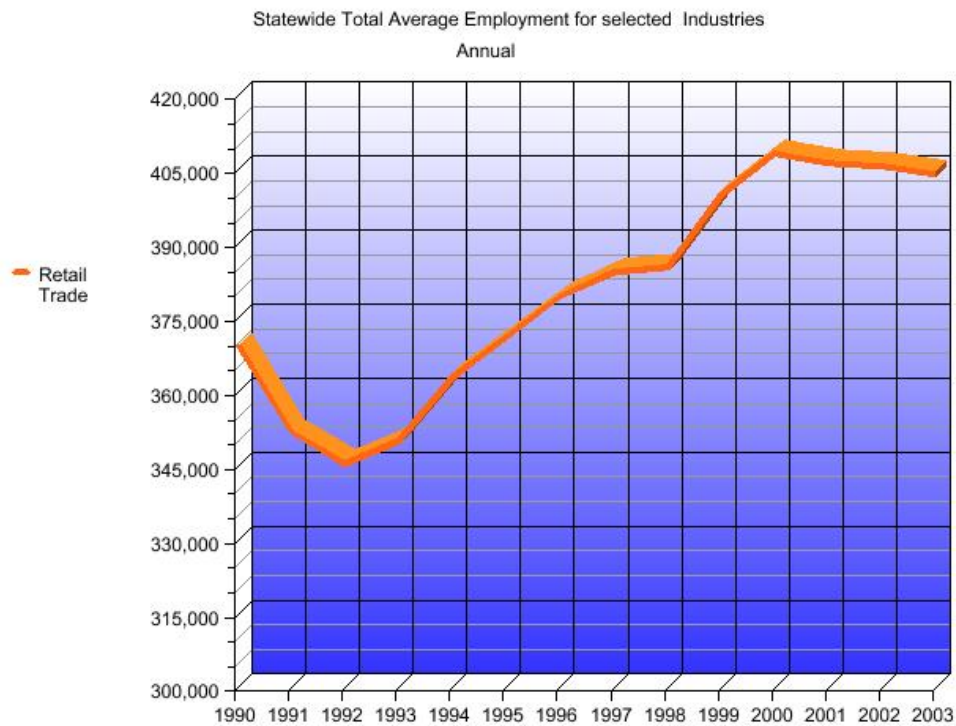


Figure 26: Number of Retail Trade Employees in Virginia, 1990-2003
Source: US Department of Labor, Bureau of Labor Statistics

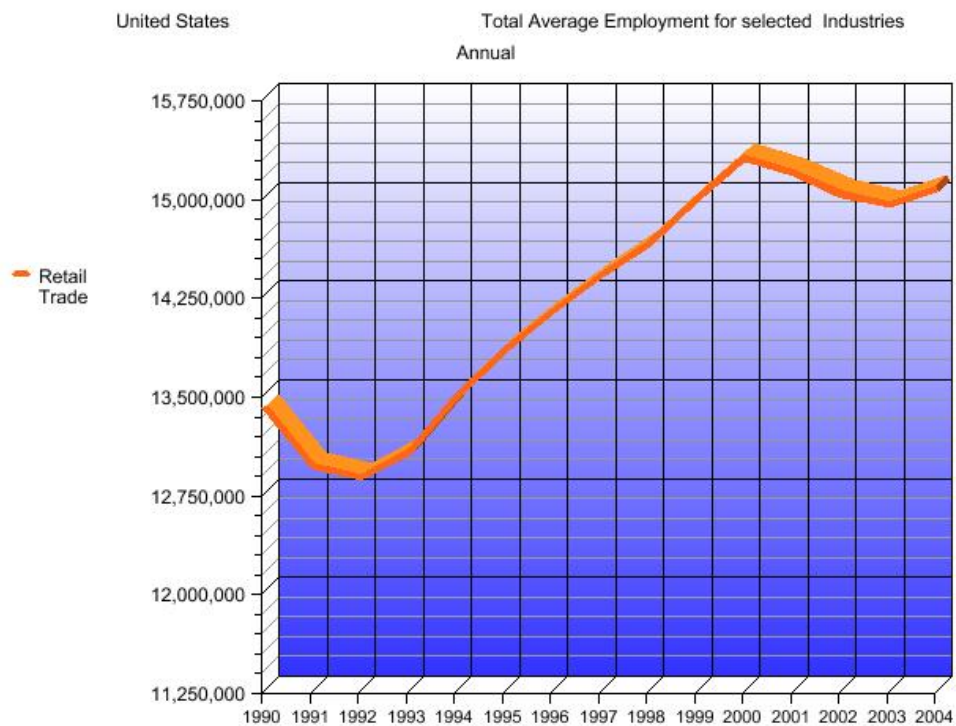
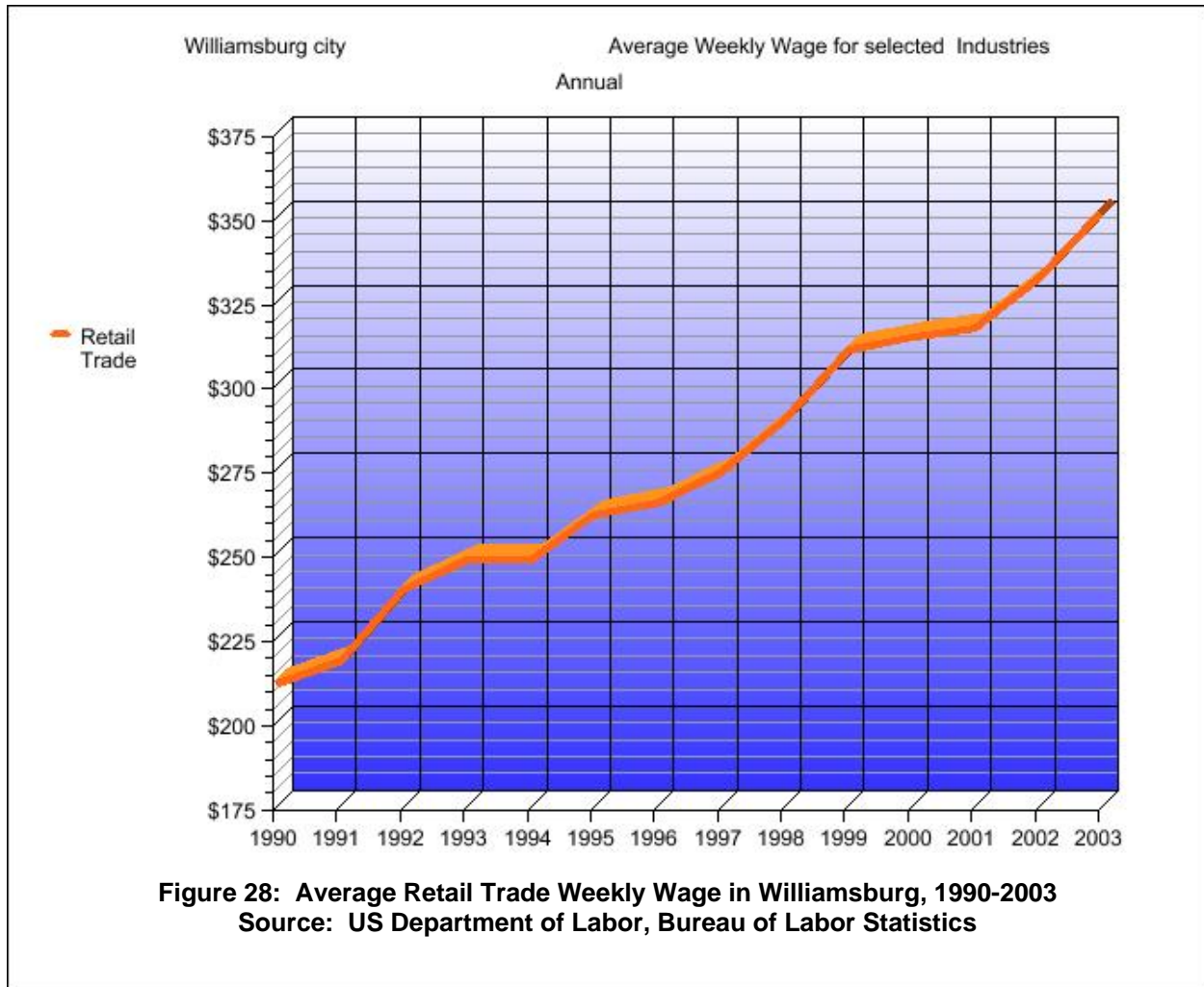


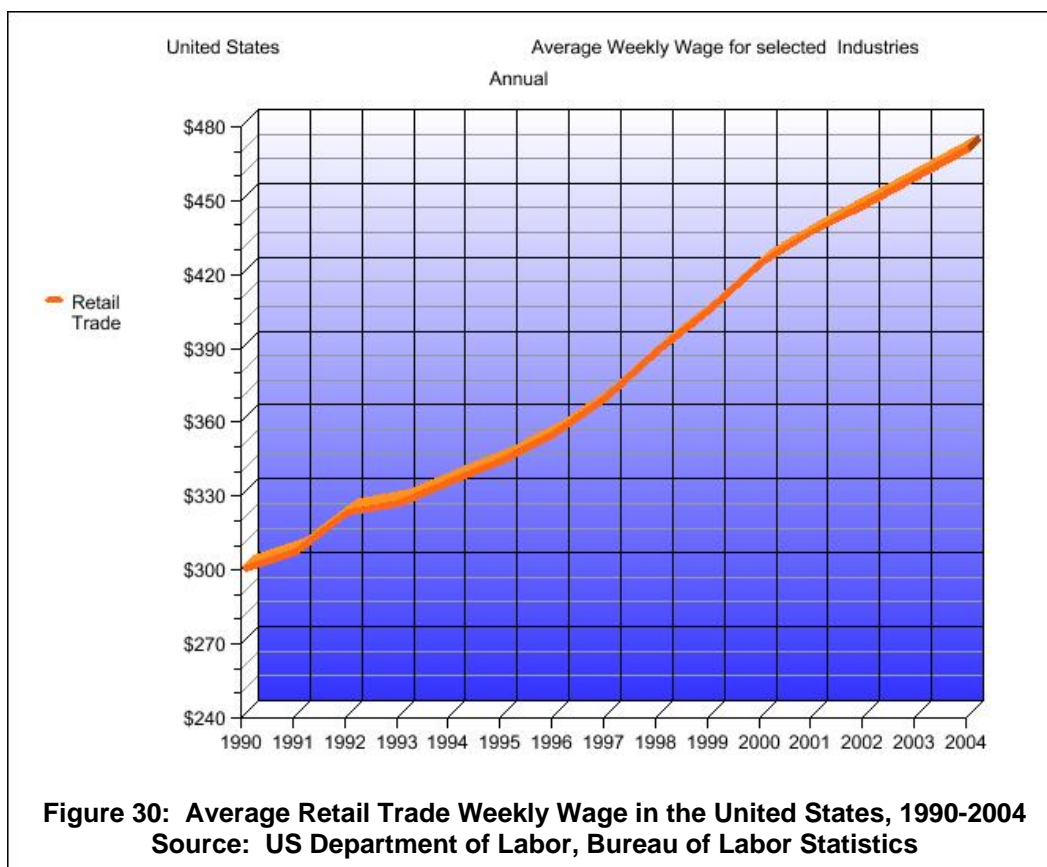
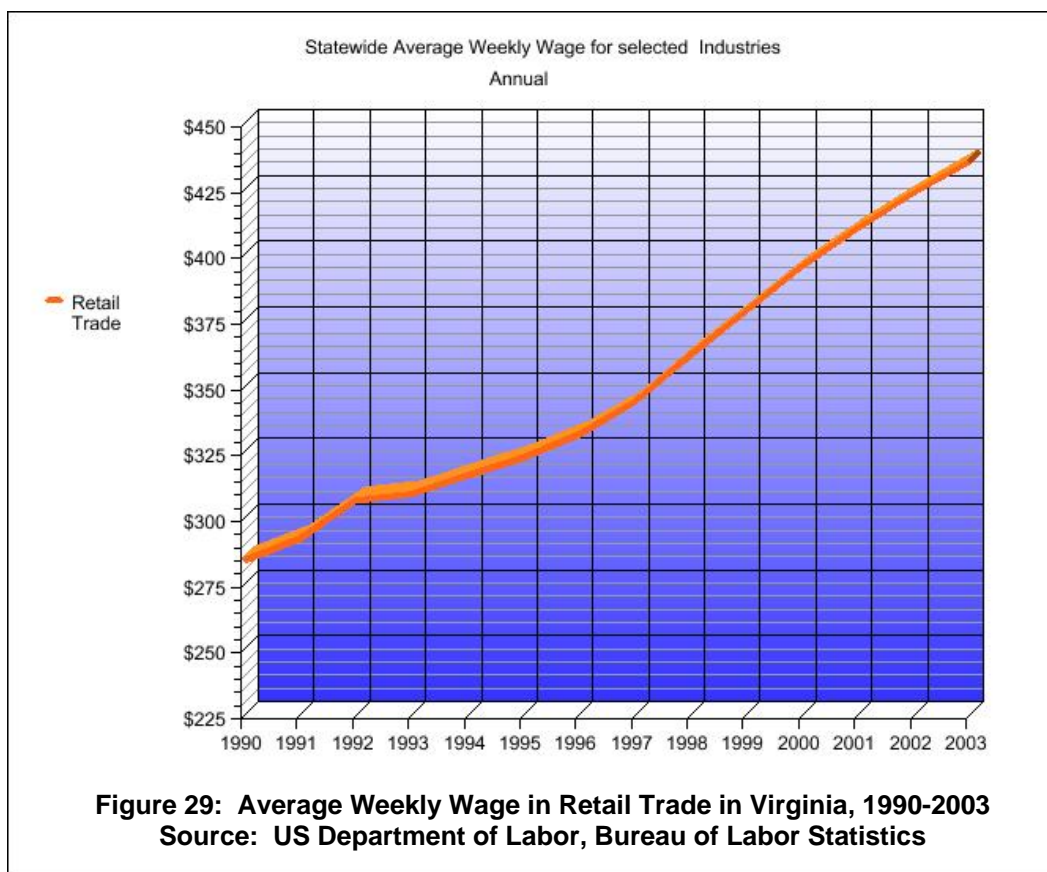
Figure 27: Number of Retail Trade Employees in the United States, 1990-2004
Source: US Department of Labor, Bureau of Labor Statistics

Average Retail Trade Weekly Wage

The average weekly wage of Retail Trade employees in Williamsburg has increased from 1990 to 2004. (Numbers are not adjusted for inflation.)



The Commonwealth of Virginia and the United States both experienced increases in the Retail Trade average weekly wage during the same period. While the average weekly wage in this sector is already lower than most other sectors, Williamsburg's is significantly lower than both Virginia's and the nation's during the same time period. Williamsburg's Retail Trade average weekly wage in 2004 was \$366, while Virginia's was \$450 and the nation's was \$470.



From 1990 to 2004, Williamsburg's percentage changes in the number of AFS and Retail Trade establishments compared fairly well against the state and the nation, while the City's percentage changes in the number of employees in these sectors declined compared to increases at the state and national level.

**Percentage Change in Number of Businesses and Employees
in Accommodations and Food Services: 1990-2004**

Area	Percent Change in Number of AFS Businesses	Percent Change in Number of AFS Employees
Williamsburg	42%	-1%
Virginia	42%	38%
United States	37%	34%

**Percentage Change in Number of Businesses and Employees
in Retail Trade: 1990-2004**

Area	Percent Change in Number of Retail Trade Businesses	Percent Change in Number of Retail Trade Employees
Williamsburg	4%	-2%
Virginia	3%	14%
United States	10%	12%

Comparisons with James City County and York County: 1990-2004

The City of Williamsburg is experiencing increased competition from two developing suburban counties, James City and York. The growth of these counties has outpaced the City's growth in part because the counties have far more developable land than the city. As the populations of the two counties have increased, so have their business markets, and retail and other business opportunities have grown within their boundaries.

Number of Business Establishments

Aligned with their population growth, James City and York both experienced consistent growth in their number of business establishments from 1990 to 2004. Both counties had more business establishments than Williamsburg in 1990, and both ended with more establishments in 2004. Additionally, the counties did not experience the decline in business establishments that the City did after 1998.

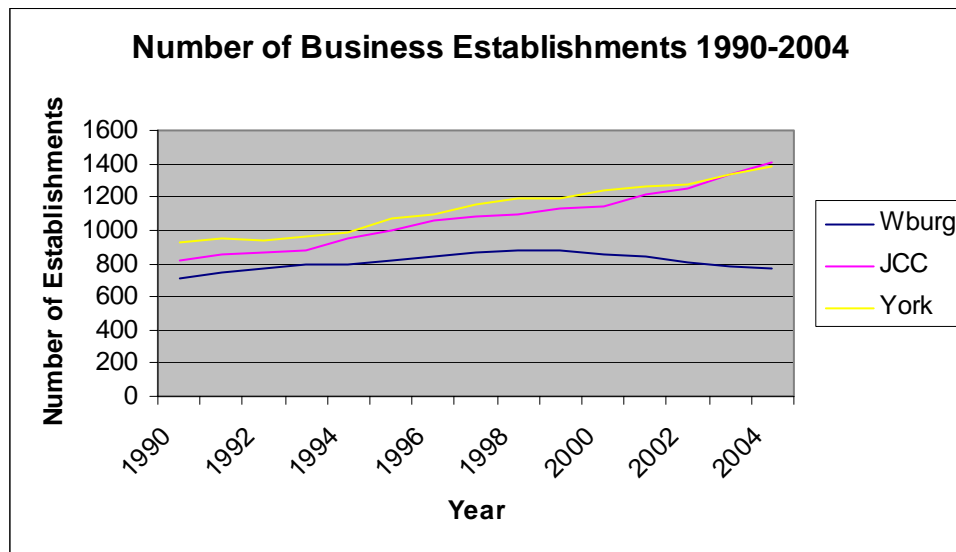


Figure 31: US Department of Labor, Bureau of Labor Statistics

Number of Employees

In 1990, James City and York each had fewer employees than Williamsburg. In 1991, the number of employees in each of the three localities declined, with Williamsburg experiencing a more significant decline of four percent (1,135 employees) than the two percent decline the counties experienced (299 employees in James City and 275 employees in York). This discrepancy in decline placed James City County ahead of the City of Williamsburg in number of employees in 1991. All three localities experienced a positive growth curve in the number of employees until 2001, when Williamsburg experienced a declining curve from 2001 to 2004. James City County has experienced a declining curve since 2002, while York County has experienced consistent growth, with a sharper increase from 2003 to 2004. In 2004, York County's number of employees surpassed Williamsburg's number for the first time.

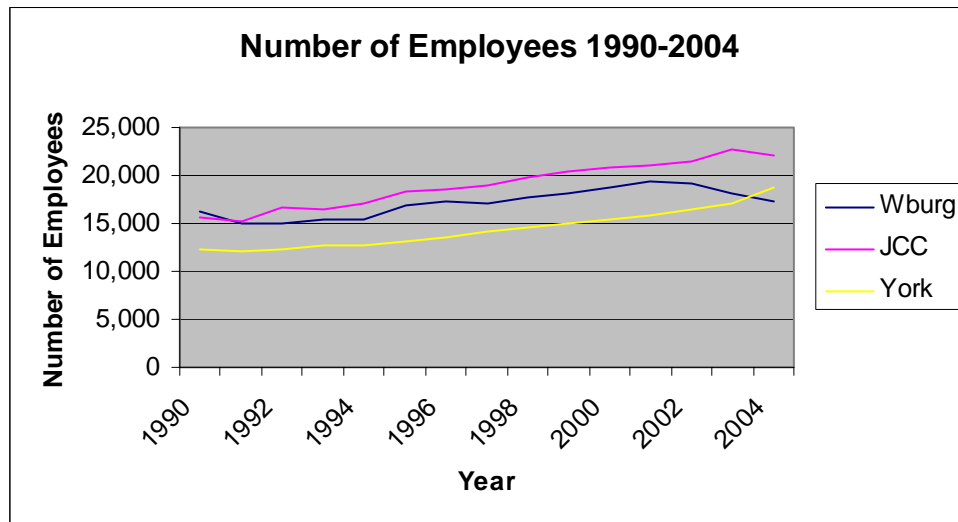


Figure 32: US Department of Labor, Bureau of Labor Statistics

Average Weekly Wage

The average weekly wage of employees in all three localities has remained fairly similar, with all localities seeing a steady rise in the average weekly wage.

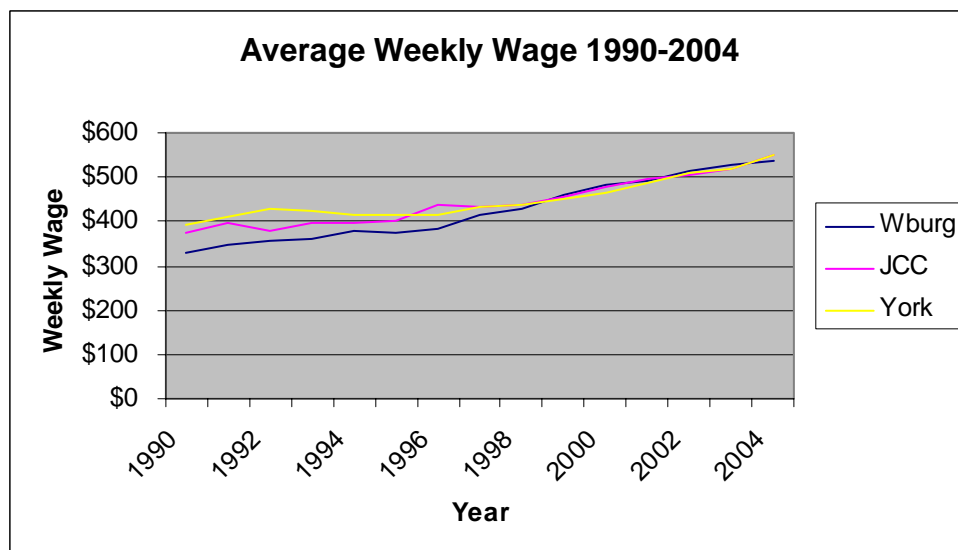


Figure 33: US Department of Labor, Bureau of Labor Statistics

While Williamsburg did experience business and employment growth from 1990 to 2004, in percentage growth the City did not keep pace with James City County or York County.

**Percentage Change in Number of Businesses and Employees
in All Industries: 1990-2004**

Locality	Percent Change in Number of Businesses	Percent Change in Number of Employees
Williamsburg	9%	8%
James City County	71%	42%
York County	49%	52%

Comparison of Accommodation and Food Services (AFS) and Retail Trade Sectors with James City County and York County

With the counties of James City and York surpassing Williamsburg in the overall number of businesses and employees, an analysis of Williamsburg's largest industry shows Williamsburg remaining ahead of the counties in the AFS sector and falling below most of the counties' numbers in retail trade. It is noteworthy that York County's economic development efforts seem to have led to its numbers increasing more steeply in recent years.

Number of AFS Business Establishments

All three localities experienced growth in the number of AFS businesses, with Williamsburg remaining ahead of the counties with more AFS businesses throughout the time period. In 2004, York County experienced an increase that placed it closer to Williamsburg's number of businesses.

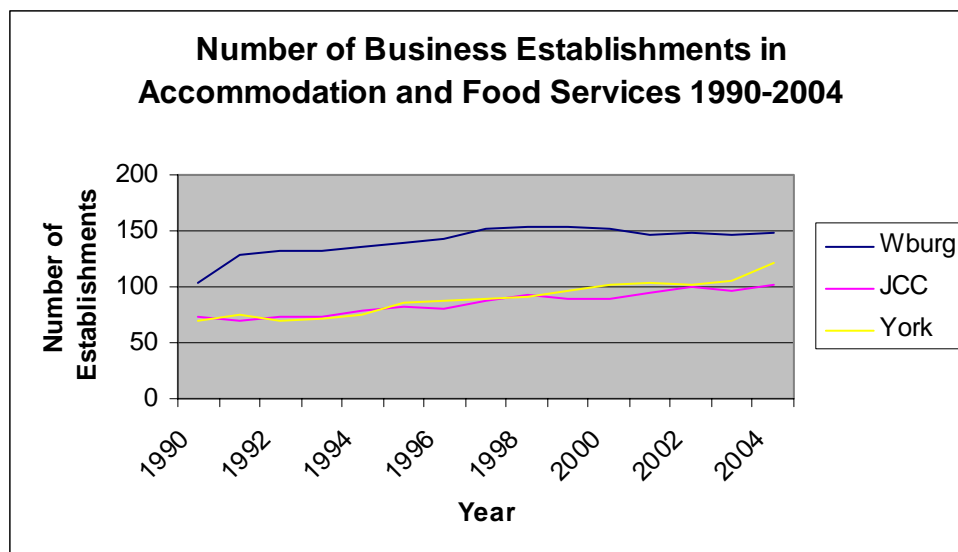


Figure 34: US Department of Labor, Bureau of Labor Statistics

Number of AFS Employees

Throughout this time period, James City and York each had fewer AFS employees than Williamsburg. While remaining the leader in actual numbers, Williamsburg experienced a one percent decline in the number of AFS employees. From 1990 to 2004

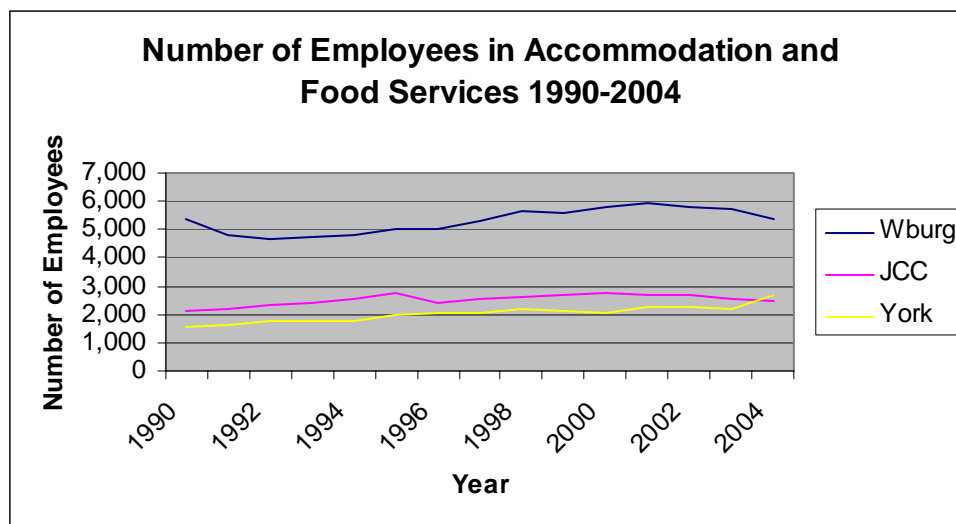


Figure 35: US Department of Labor, Bureau of Labor Statistics

Average AFS Weekly Wage

The average weekly wage of AFS employees in all three localities has increased, with James City County's average surpassing Williamsburg's after 1995.

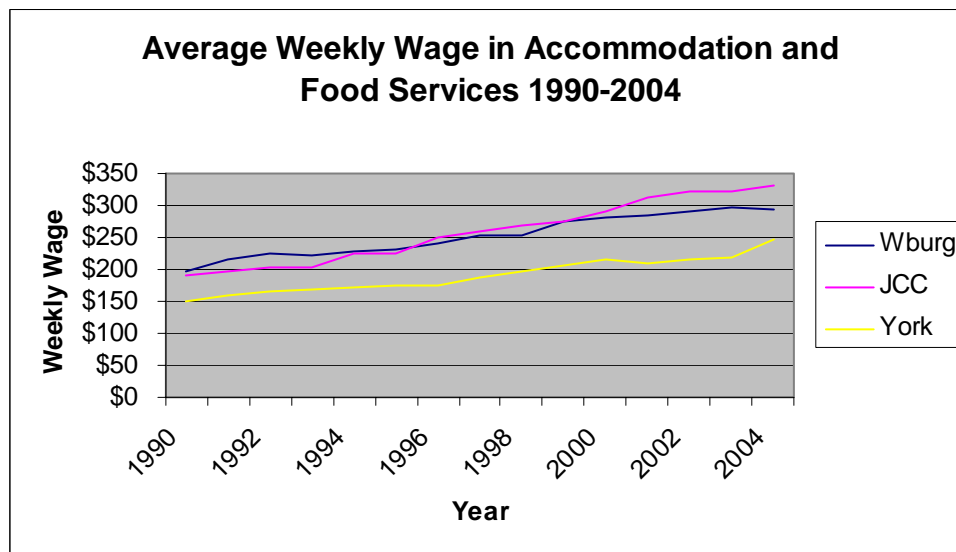


Figure 36: US Department of Labor, Bureau of Labor Statistics

Number of Retail Trade Business Establishments

From 1990 to 2004, Williamsburg had fewer retail trade businesses than each of the two counties, and all three localities experienced increases and declines during this time period. York County experienced the largest percentage gain of seventeen percent, with sharp growth after 2001. Again, York County's economic development efforts must be recognized as a factor. James City County's gain from 1990 to 2004 was nine percent, while Williamsburg's was four percent. Notably, Williamsburg has experienced declines in the number of retail trade establishments since 1998, when it reached its largest number of 181 retail businesses. James City County reached its highest number of 232 in 1997. In 2004, Williamsburg had 155 retail trade businesses, James City County had 214, and York County had 180.

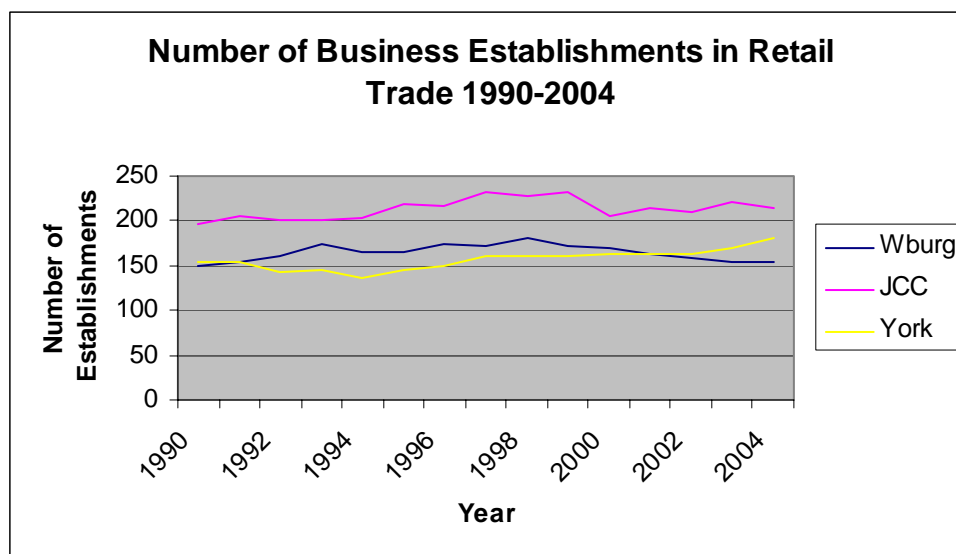


Figure 37: US Department of Labor, Bureau of Labor Statistics

Number of Retail Trade Employees

In 1990, James City and York each had fewer retail trade employees than Williamsburg. In 2003, James City County slightly surpassed Williamsburg's number of employees, but fell below Williamsburg's number in 2004. York County has experienced a sharp increase in retail trade employees since 2001 and surpassed Williamsburg's numbers in 2003 and 2004. Unlike the two counties, Williamsburg had fewer retail trade employees in 2004 than it did in 1990, with a peak of 2,941 in 2001.

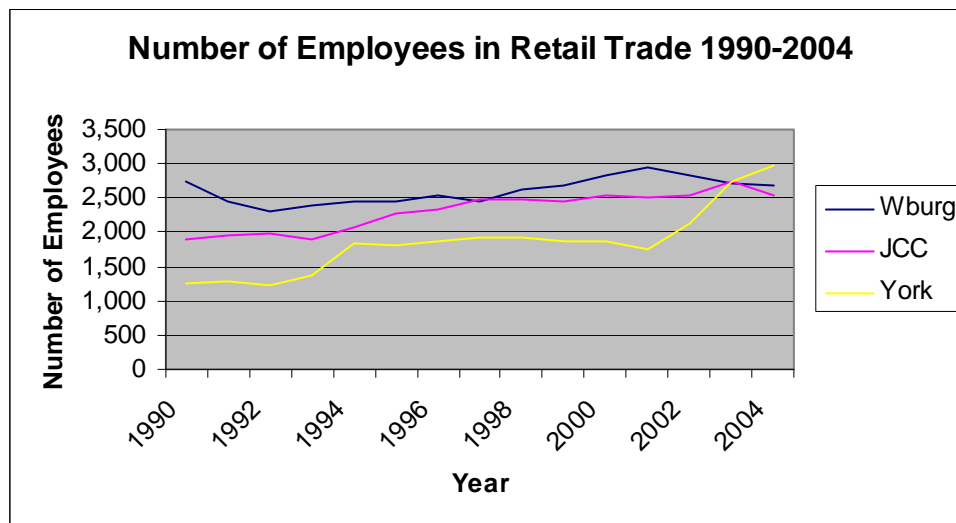


Figure 38: US Department of Labor, Bureau of Labor Statistics

Average Retail Trade Weekly Wage

The average weekly wage of retail trade employees in all three localities has remained fairly similar, with all localities seeing a steady rise in the average weekly wage.

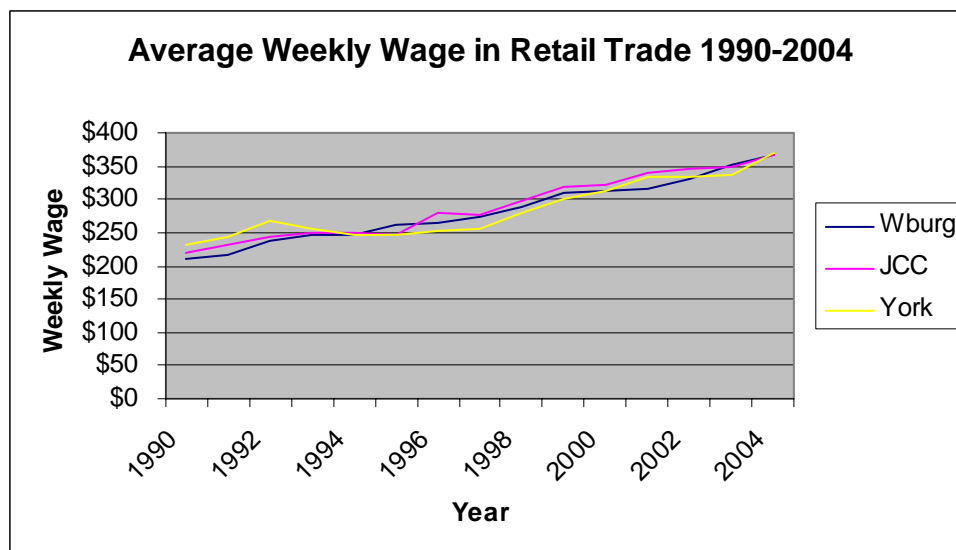


Figure 39: US Department of Labor, Bureau of Labor Statistics

When comparing the City's percentage changes in establishments and employees with the counties of James City and York, the City fared best in its percentage increase of

AFS establishments, where it exceeded James City County's percentage growth. In the other three areas, the City fell short of the growth in each of the counties. Additionally, it is noteworthy that both the City and James City County feel well short of York County's growth in all four of these areas.

**Percentage Change in Number of Businesses and Employees
in Accommodations and Food Services: 1990-2004**

Locality	Percent Change in Number of AFS Businesses	Percent Change in Number of AFS Employees
Williamsburg	42%	-1%
James City County	38%	17%
York County	73%	71%

**Percentage Change in Number of Businesses and Employees
in Retail Trade: 1990-2004**

Locality	Percent Change in Number of Retail Trade Businesses	Percent Change in Number of Retail Trade Employees
Williamsburg	4%	-2%
James City County	9%	34%
York County	17%	135%

While the absolute numbers of businesses and employees in the counties has increased over the City's numbers, the City has fared well maintaining a regional market share given its demographic and land constraints. When the numbers are analyzed on a per capita and a per acre basis, Williamsburg significantly outperforms the counties as a retail and an employment center.

Retail Center Data

Retail Sales per capita (U.S. Economic Census Data)

- Williamsburg - \$27,130 per capita retail sales (highest in the state)
- James City County - \$7,024 per capita
- York County - \$5,767 per capita
- Virginia - \$9,293 per capita
- U.S. - \$11,993 per capita

Retail Sales by land area (U.S. Economic Census Data)

- Williamsburg - \$57,009 per acre retail sales
- James City County - \$3,297 per acre
- York County - \$4,708 per acre
- Virginia - \$2,469 per acre
- U.S. - \$1,495 per acre

Employment Center Data

Number of Jobs (2004 U.S. Department of Labor Data)

- Williamsburg – 17,383
- JCC – 22,058
- York – 18,743

Number of Jobs per capita (2003 Census Data)

- Williamsburg – 1.4 jobs per resident
- JCC – 0.5 jobs per resident
- York – 0.3 jobs per resident

Retail and Employment Comparisons

Locality	Percent of Population (2000)	Percent of Land Area	Percent of Retail Sales, in millions (2003)	Percent of Employment (Census-2005)
Williamsburg	10% (11,998)	3% (9 sq. miles)	22% (\$349.5)	30%
James City	41% (48,102)	55% (143 sq. miles)	40% (\$639)	38%
York	48% (56,297)	41% (106 sq. miles)	38% (\$618.2)	32%
Sources: U.S. Census and U.S. Department of Labor Bureau of Labor Statistics				

Details in Change of Business Establishments: 1997-2002

The Economic Census, which collects data every five years, provides details about the types of businesses and their revenues in a locality. For confidentiality reasons, the data are not complete and do not provide details about all businesses, but a thorough analysis of this data shows generally what types of businesses the City gained or lost and changes in business revenue by industry in a five year time frame. (A detailed explanation of the industry types is located in Appendix B.)

Number of Business Establishments Williamsburg, Virginia			
Industry Description	1997	2002	Net Gain/Loss
Retail Trade	163	146	-17
Accommodation and Food Service	140	140	0
Health & Social Assistance	61	62	+1
Professional, Scientific & Technical	34	58	+24
Other Service (except Public Administration)	35	41	+6
Real Estate & Rental & Leasing	32	36	+4
Administrative & Support & Waste Management	21	26	+5
Arts, Entertainment & Recreation	9	14	+5
Wholesale Trade	16	14	-2
Information	0	12	+12
Educational Services	2	6	+4
Source: U.S. Economic Census 1997 and 2002			
Note: Census data did not disclose all establishments			

Between 1997 and 2002, the Economic Census data shows a net gain of 42 businesses in the city. While other more complete data from the Department of Labor shows a decrease of 63 business establishments during this time frame, the value of the Economic Census data is the details about the industries and categories of businesses that the city gained and lost.

During this five year time frame, the city experienced a significant net gain of twenty-four professional, scientific, and technical establishments and a net gain of twelve information establishments. Also significant is the net loss of seventeen retail trade establishments.

Change in Types of Business Establishment from 1997-2002
Williamsburg, Virginia

Gains	Losses
Retail Trade: <ul style="list-style-type: none"> • Furniture stores • Health and personal care stores • Gasoline stations with convenience stores • Clothing stores • Sporting goods, hobby, and musical stores • General merchandise stores • Office supplies and stationery stores 	Retail Trade: <ul style="list-style-type: none"> • Motor vehicle and parts dealers • Home furnishings stores • Computer and software stores • Building materials/garden equipment stores • Food and beverage stores • Gasoline stations • Luggage and leather goods stores • Book stores • Gift, novelty and souvenirs stores
Professional, Scientific, and Technical <ul style="list-style-type: none"> • Offices of lawyers • Accounting, tax preparation, and bookkeeping • Other professional, scientific, and technical services • Photographic services 	Professional, Scientific, and Technical <ul style="list-style-type: none"> • No disclosed losses
Categories of Information establishments were not disclosed.	Information <ul style="list-style-type: none"> • No disclosed losses
Other Categories <ul style="list-style-type: none"> • Facility support services • Travel arrangement and reservation services • Janitorial services • Landscaping services • Educational services • Technical and trade school • Psychiatric and substance abuse hospitals • Nursing and residential care facilities • Social assistance • Museums • Amusement, gambling and recreation • Limited service eating places • Personal care services • Dry cleaning and laundry services 	Other Categories: <ul style="list-style-type: none"> • Offices of real estate brokers and agents • Interior design services • Environmental consulting services • Process, physical distribution and logistics consulting • Office administrative services • Business service centers • Offices of physicians • Offices of dentists • Child day care services • Hotels and motels • Full-service restaurant • Automotive repair and maintenance
Source: U.S. Economic Census 1997 and 2002 Note: Census data did not disclose all establishments	

The Economic Census also identifies changes in business revenue by industry between 1997 and 2002. Notably, the Health and Social Assistance industry reported a significant increase of 400% in revenue. Details about this industry show the loss of six physician offices, four dentist offices, and two child care facilities during this time frame and the gain of one psychiatric and substance abuse hospital, one uncategorized hospital, two nursing home facilities, and five social assistance businesses. With only one net gain of a business establishment in this industry, the revenue increase in Williamsburg is significant. However, the Health and Social Assistance industry tends to provide low wages and benefits to its employees. Nationally, this industry should continue to grow in the next ten years, but Williamsburg should experience a decline in the industry with the movement of Sentara Community Hospital to York County. However, in 2006, the Health Evaluation Center will open in the City, and in 2009, Williamsburg should experience a significant gain in the industry with the construction of the Riverside Doctor's Hospital within the City.

1997 and 2002 Annual Sales, Shipments, Receipts, and Revenue of Businesses Williamsburg, Virginia			
Industry Description	1997	2002	Net Gain/Loss
Health & Social Assistance	\$45,099,000	\$228,800,000	\$183,701,000
Other Service (except Public Administration)	\$7,055,000	\$49,934,000	\$42,879,000
Accommodation and Food Service	\$204,834,000	\$200,332,000	-\$4,502,000
Real Estate & Rental & Leasing	\$40,884,000	\$29,909,000	-\$10,975,000
Administrative & Support & Waste Management	\$23,452,000	\$39,425,000	\$15,973,000
Retail Trade	\$330,198,000	\$270,497,000	-\$59,701,000
Professional, Scientific & Technical	\$28,472,000	Not disclosed	
Information		Not disclosed	
Educational Services		Not disclosed	
Arts, Entertainment & Recreation		Not disclosed	
Wholesale Trade	Not disclosed	\$19,253,000	
Source: U.S. Economic Census 1997 and 2002			
Note: Census data did not disclose all establishments			

The disclosed revenue changes that more closely mirror the net gain or loss of business establishments in the City include Retail Trade, which experienced a \$59.7 million revenue decline and a net loss of seventeen establishments; Other Services, which experienced a \$42.8 million revenue increase and a net gain of six establishments; and Administrative and Support and Waste Management, which experienced a \$15.9 million revenue increase and a net gain of five establishments. Conversely, the Real Estate and Rental and Leasing industry experienced a \$10.9 million decline in revenue with a net gain of four establishments. The Accommodation and Food Service industry experienced a revenue decline of \$4 million without a net change in the number of establishments. The revenue from the other industries was not disclosed by the Economic Census.

While not complete, the Economic Census does illustrate changes in business sectors over time. From 1997-2002, Williamsburg experienced a decrease in retail trade establishments and revenue, a significant increase in revenue of the Health and Social Assistance industry, and significant increases in the number of Information and Professional, Scientific, and Technical establishments. Nationally, the number of retail trade establishment was flat and slightly negative during this time frame, so Williamsburg's decline is not surprising or unusual.ⁱⁱ Additionally, Williamsburg's increase in the Health and Social Assistance industry mirrors national growth.ⁱⁱⁱ However, as previously noted, the departure of Sentara Hospital to York County in 2006, should cause a temporary decrease in this industry until the proposed Riverside Doctor's Hospital in Williamsburg opens in 2009. Nationally, the Information industry experienced a decline in 2001,^{iv} so Williamsburg's net gain in the industry is promising. Lastly, the Professional, Scientific, and Technical industry grew nationally,^v matching Williamsburg's growth experience.

Summary

While it is useful to compare Williamsburg's business economy with its neighbors, the state, and the nation, Williamsburg's retail, hospitality, and employment center strengths are unique. The City's exceptionally high per capita retail sales is a clear indicator of this distinctiveness. Williamsburg truly is a world class destination, with an estimated one to four million visitors annually. In addition, Williamsburg's seat as an employment center increases its daytime population (not including visitors and tourists) by 79 percent to 21,497.^{vi}

While the hospitality industry has experienced declines, the city and its partners aggressively are addressing this issue through the Williamsburg Area Destination Marketing Campaign, America's 400th Anniversary – Jamestown 2007 events, and other initiatives. The City contributes \$2.2 million annually to tourism marketing efforts, and the tourism economy is expected to increase in the upcoming years. While this industry typically provides lower paying and seasonal employment, it remains the lynchpin of Williamsburg's economy, which justifies the City's ongoing support.

Another lynchpin of Williamsburg's success is the quality of its economic and physical environment. By its very nature, quality is difficult to quantify, but the Williamsburg name itself connotes quality and attractiveness. The smallest city with the largest international address, Williamsburg demonstrates a very strong sense of place and attractiveness. In an annual survey, Williamsburg's residents are asked about the safety, attractiveness, and livability of the City. In 2004, respondents rated each factor above eight on a scale of one to ten as follows:

The City's Vision Statement calls for Williamsburg to become progressively safer, more beautiful, and more livable. On a scale of 1 to 10, how would you rate our city?												
Very Unsafe	1	2	3	4	5	6	7	8	9	10	Very Safe	(8.7)
Very Unattractive	1	2	3	4	5	6	7	8	9	10	Very Beautiful	(8.6)
Very Unlivable	1	2	3	4	5	6	7	8	9	10	Very Livable	(8.9)

To build on this renown and success, this lynchpin of quality should underscore all economic development goals and activities.

Areas for additional growth in Williamsburg's economy can be found in its two proposed major greenfield projects, High Street Williamsburg and Quarterpath at Williamsburg, and in redevelopment opportunities throughout the city. Based on potential economic impact and building on the City's current strengths, new business targets could include professional and business services, cultural arts, research and development, and niche markets. The City has an existing Economic Vitality Goal to "increase employment opportunities, income, business success, and city revenues by supporting and promoting the city's tourism base and other development and redevelopment opportunities." **The following plan builds on this overriding goal and proposes the following more detailed goals for Williamsburg's economic vitality.**

- 1. Existing businesses grow and prosper in the City, and Williamsburg's hospitality industry prospers during and after the Commemoration events of 2007.**
- 2. The economy of the City is more diversified, building on its current strengths in retail trade, tourism/hospitality and education, while growing emerging areas of cultural arts, research/development, and professional service offices.**
- 3. Williamsburg is known for its positive business environment.**
- 4. The infrastructure (parking, technology, sidewalks, water, sewer, streets) of Williamsburg supports the growth of quality business in the City.**
- 5. Williamsburg maintains a high quality sense of place that appeals to citizens, students, and visitors. Williamsburg remains a specialty entertainment, cultural, and retail center of the historic triangle.**

ⁱ <http://www.bls.gov/bls/proghome.htm>

ⁱⁱ <http://www.bls.gov/iag/wholereetailtrade.htm>

ⁱⁱⁱ <http://www.bls.gov/iag/eduhealth.htm>

^{iv} <http://www.bls.gov/iag/information.htm>

^v <http://www.bls.gov/iag/profbusservices.htm>

^{vi} www.city-data.com/city/Williamsburg-Virginia.html

Appendix B

Overview of NAICS Industry Supersectors

Industry at a Glance consists of profiles of 12 industry supersectors. Each profile contains a variety of facts about the industry supersector, and includes links to additional statistics. The 12 industry supersectors are **Construction**, **Education and Health Services**, **Financial Activities**, **Government, Information**, **Leisure and Hospitality**, **Manufacturing**, **Natural Resources and Mining**, **Other Services**, **Professional and Business Services**, **Transportation and Utilities**, and **Wholesale and Retail Trade**.

The supersectors presented here are based on the North American Industry Classification System (NAICS). Many of the BLS programs that produce industry data have converted to NAICS, but not all have. See the **BLS NAICS implementation schedule** for a timetable for conversion of BLS statistics to NAICS.

Note that, for the 11 supersectors other than government, the industry profiles refer to private-sector employment. Publicly-owned establishments such as public schools and public hospitals are considered to be part of government.

NAICS 23: Construction

The construction sector comprises establishments primarily engaged in the construction of buildings or engineering projects (e.g., highways and utility systems). Establishments primarily engaged in the preparation of sites for new construction and establishments primarily engaged in subdividing land for sale as building sites also are included in this sector. Construction work done may include new work, additions, alterations, or maintenance and repairs. Activities of these establishments generally are managed at a fixed place of business, but they usually perform construction activities at multiple project sites.

NAICS 61 & 62: Education and Health Services

The education and health services supersector is made up of two parts: the educational services sector (sector 61), and the health care and social assistance sector (sector 62). Only privately-owned establishments are included in this discussion; publicly-owned establishments that provide education or health services are included in **government**.

The **educational services** sector comprises establishments that provide instruction and training in a wide variety of subjects. This instruction and training is provided by specialized establishments, such as schools, colleges, universities, and training centers.

The **health care and social assistance** sector comprises establishments providing health care and social assistance for individuals. The industries in this sector are arranged on a continuum starting with those establishments providing medical care exclusively, continuing with those providing health care and social assistance, and finally finishing with those providing only social assistance.

NAICS 52 & 53: Financial activities

The financial activities supersector is made up of two parts: the finance and insurance sector (sector 52), and the real estate and rental and leasing sector (sector 53).

The **finance and insurance** sector comprises establishments primarily engaged in financial transactions (transactions involving the creation, liquidation, or change in ownership of financial assets) and/or in facilitating financial transactions. Three principal types of activities are identified:

1. Raising funds by taking deposits and/or issuing securities and, in the process, incurring liabilities.

2. Pooling of risk by underwriting insurance and annuities.
3. Providing specialized services facilitating or supporting financial intermediation, insurance, and employee benefit programs.

The **real estate and rental and leasing** sector comprises establishments primarily engaged in renting, leasing, or otherwise allowing the use of tangible or intangible assets, and establishments providing related services. The major portion of this sector comprises establishments that rent, lease, or otherwise allow the use of their own assets by others. This sector also includes establishments primarily engaged in managing real estate for others, selling, renting and/or buying real estate for others, and appraising real estate. The main components of this sector are the real estate lessors industries; equipment lessors industries (including motor vehicles, computers, and consumer goods); and lessors of nonfinancial intangible assets (except copyrighted works).

Government

The government sector is made up of publicly-owned establishments. This sector includes establishments of federal, state, and local government agencies that administer, oversee, and manage public programs and have executive, legislative, or judicial authority over other institutions within a given area. These agencies also set policy, create laws, adjudicate civil and criminal legal cases, provide for public safety and for national defense. Establishments such as public schools and public hospitals also are included in government. The information presented here refers to civilian employment only.

NAICS 51: Information

The information sector comprises establishments engaged in the following processes: (a) producing and distributing information and cultural products, (b) providing the means to transmit or distribute these products as well as data or communications, and (c) processing data. The main components of this sector are the publishing industries, including software publishing, and both traditional publishing and publishing exclusively on the Internet; the motion picture and sound recording industries; the broadcasting industries, including traditional broadcasting and those broadcasting exclusively over the Internet; the telecommunications industries; the industries known as Internet service providers and web search portals, data processing industries, and the information services industries.

NAICS 71 & 72: Leisure and hospitality

The leisure and hospitality supersector is made up of two parts: the arts, entertainment, and recreation sector (sector 71), and the accommodation and food services sector (sector 72).

The **arts, entertainment, and recreation** sector includes a wide range of establishments that operate facilities or provide services to meet varied cultural, entertainment, and recreational interests of their patrons. This sector comprises (1) establishments that are involved in producing, promoting, or participating in live performances, events, or exhibits intended for public viewing; (2) establishments that preserve and exhibit objects and sites of historical, cultural, or educational interest; and (3) establishments that operate facilities or provide services that enable patrons to participate in recreational activities or pursue amusement, hobby, and leisure-time interests.

The **accommodation and food services** sector comprises establishments providing customers with lodging and/or preparing meals, snacks, and beverages for immediate consumption. The sector includes both accommodation and food services establishments because the two activities are often combined at the same establishment.

NAICS 31-33: Manufacturing

The manufacturing sector consists of establishments engaged in the mechanical, physical, or chemical transformation of materials, substances, or components into new products.

NAICS 11 & 21: Natural resources and mining

The natural resources and mining supersector is made up of two parts: the agriculture, forestry, fishing and hunting sector (sector 11), and the mining sector (sector 21).

The **agriculture, forestry, fishing and hunting** sector comprises establishments primarily engaged in growing crops, raising animals, harvesting timber, and harvesting fish and other animals from a farm, ranch, or their natural habitats.

The **mining** sector comprises establishments that extract naturally occurring mineral solids, such as coal and ores; liquid minerals, such as crude petroleum; and gases, such as natural gas. The term mining is used in the broad sense to include quarrying, well operations, beneficiating (e.g., crushing, screening, washing, and flotation), and other preparation customarily performed at the mine site, or as a part of mining activity.

NAICS 81: Other services

The other services sector comprises establishments engaged in providing services not specifically provided for elsewhere in the **North American Industry Classification System**. Establishments in this sector are primarily engaged in activities, such as equipment and machinery repairing, promoting or administering religious activities, grantmaking, advocacy, and providing drycleaning and laundry services, personal care services, death care services, pet care services, photofinishing services, temporary parking services, and dating services.

NAICS 54 - 56: Professional and business services

The professional and business services supersector is made up of three parts: the professional, scientific, and technical services sector (sector 54), the management of companies and enterprises sector (sector 55), and the administrative and support and waste management and remediation services sector (sector 56).

The **professional, scientific, and technical services** sector comprises establishments that specialize in performing professional, scientific, and technical activities for others. Activities performed include: legal advice and representation; accounting, bookkeeping, and payroll services; architectural, engineering, and specialized design services; computer services; consulting services; research services; advertising services; photographic services; translation and interpretation services; veterinary services; and other professional, scientific, and technical services.

The **management of companies and enterprises** sector comprises (1) establishments that hold the securities of (or other equity interests in) companies and enterprises for the purpose of owning a controlling interest or influencing management decisions or (2) establishments (except government establishments) that administer, oversee, and manage establishments of the company or enterprise and that normally undertake the strategic or organizational planning and decisionmaking role of the company or enterprise.

The **administrative and support and waste management and remediation services** sector comprises establishments performing routine support activities for the day-to-day operations of other organizations. These essential activities are often undertaken in-house by establishments in many sectors of the economy. Activities performed include: office administration, hiring and placing of personnel, document preparation and similar clerical services, solicitation, collection, security and surveillance services, cleaning, and waste disposal services.

NAICS 48-49 & 22: Transportation and warehousing, and utilities

The transportation and warehousing, and utilities, supersector is made up of two parts: the transportation and warehousing sector (sectors 48 - 49), and the utilities sector (sector 22).

The **transportation and warehousing** sector includes industries providing transportation of passengers and cargo, warehousing and storage for goods, scenic and sightseeing transportation, and support activities related to modes of transportation. Establishments in these industries use transportation equipment or transportation related facilities as a productive asset. The type of equipment depends on the mode of transportation. The modes of transportation are air, rail, water, road, and pipeline.

The **utilities** sector comprises establishments engaged in the provision of the following utility services: electric power, natural gas, steam supply, water supply, and sewage removal. Within this sector, the specific activities associated with the utility services provided vary by utility: electric power includes generation, transmission, and distribution; natural gas includes distribution; steam supply includes provision and/or distribution; water supply includes treatment and distribution; and sewage removal includes collection, treatment, and disposal of waste through sewer systems and sewage treatment facilities.

NAICS 42 - 45: Wholesale and retail trade

The wholesale and retail trade supersector is made up of two parts: the wholesale trade sector (sector 42), and the retail trade sector (sector 44 - 45).

The **wholesale trade** sector comprises establishments engaged in wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. The wholesaling process is an intermediate step in the distribution of merchandise. Wholesalers are organized to sell or arrange the purchase or sale of (a) goods for resale (i.e., goods sold to other wholesalers or retailers), (b) capital or durable nonconsumer goods, and (c) raw and intermediate materials and supplies used in production. Wholesalers sell merchandise to other businesses and normally operate from a warehouse or office.

The **retail trade** sector comprises establishments engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. The retailing process is the final step in the distribution of merchandise; retailers are, therefore, organized to sell merchandise in small quantities to the general public. This sector comprises two main types of retailers: store and nonstore retailers.

US Dept of Labor
Bureau of Labor Statistics
<http://www.bls.gov/iag/iaghome.htm>

Appendix C
Williamsburg Development Summary
1975-2005

<u>YEAR</u>	<u>NET NEW HOTEL ROOMS</u>	<u>NEW RESTAURANT BUILDINGS</u>	<u>RESIDENTIAL</u> SF=SINGLE FAMILY MF=MULTI-FAMILY	<u>OTHER MAJOR PROJECTS</u>
1975	187	3	—	Community Hospital Expansion
1976	—	2	—	Pines Nursing Home Expansion (+80 beds)
1977	56	2	3 MF	Gov. Berkeley Professional Center
1978	212	—	13 SF	—
1979	169	2	—	Safeway (now Staples)
1980	116	1	119 MF (104 WRHA)	Fife and Drum Building Library Arts Center
1981	152	—	10 MF	Williamsburg Shopping Center expansion Muscarelle Museum
1982	123	1	135 MF	Triangle Building Public Hospital Wallace Gallery
1983	4	—	23 MF	—
1984	294	—	50 SF 205 MF	—
1985	187	2	83 MF	—
1986	—	2	83 SF 52 MF	AARFAC Addition Lennox/Ethan Allen/ West Point Pepperell
1987	131	—	45 SF 4 MF	New Municipal Building
1988	—	—	4 MF	Patriot Plaza New CWF Golf Course New Post Office
1989	—	—	54 SF	W&M Tercentenary Hall Carmike Cinema expansion
1990	—	2	—	Quarterpath Gym W&M Graduate Dorms
1991	—	-	107 SF 3 MF	Baptist Student Union
1992	—	2	—	Wal-Mart Denied Comm. Hospital Expansion
1993	—	1	27 SF	W&M Tennis Center

<u>YEAR</u>	<u>NET NEW HOTEL ROOMS</u>	<u>NEW RESTAURANTS</u>	<u>RESIDENTIAL</u> SF=SINGLE FAMILY MF=MULTI-FAMILY	<u>OTHER MAJOR PROJECTS</u>
1994	—	1	67 SF	CWF Bruton Heights
1995	—	2	18 SF 4 MF	Food Lion expansion W&M Alumni Center Patriot Retirement Ctr.
1996	-1	1	31 SF	Walsingham Gym
1997	—	1	232 MF	Matoaka Office Center
1998	222	—	30 SF 110 MF	Municipal Center CWF Stable
1999	83	3	80 SF 62 MF	CVS/C&F Bank CWF Visitor Center
2000	-90	-	95 SF	Quarterpath Rec. Ctr. Kimball Theater WaWa
2001	28	1	118 MF	College Corner Building St. Stephen Lutheran Ch.
2002	-	2	-	Prince Geo. Pkg. Garage
2003	63	-	-	Wmbg. Chrysler CWF Vehicle Maint. Fac.
2004	188	3	42 MF	Presbyterian Church. Addition Spring Arbor Assisted Living Yankee Candle
2005	-	-	-482 MF	Methodist Church Expansion High Street Williamsburg
TOTAL	2124	34	697 SF 1695 MF 2392 TOTAL	

“Net New Hotel Rooms” indicates new rooms built minus rooms demolished and/or converted.

“New Restaurants” only indicates new restaurant buildings or buildings converted to restaurants from a non-restaurant use.

SF = Single Family Detached Dwellings

MF = Multifamily Dwellings, including: Duplex, Apartments, Condominiums, and Townhouses

[STATS\2005\TOTAL SUMMARY]

Prepared by Williamsburg Planning Department, January 3, 2000
Revised November 14, 2005

Appendix D

Technology Zone Enabling Legislation from the Code of Virginia

§ 58.1-3850. Creation of local technology zones.

A. Any city, county or town may establish, by ordinance, one or more technology zones. Each locality may grant tax incentives and provide certain regulatory flexibility in a technology zone.

B. The tax incentives may be provided for up to ten years and may include, but not be limited to: (i) reduction of permit fees; (ii) reduction of user fees; and (iii) reduction of any type of gross receipts tax. The extent and duration of such incentive proposals shall conform to the requirements of the Constitutions of Virginia and of the United States.

C. The governing body may also provide for regulatory flexibility in such zone which may include, but not be limited to: (i) special zoning for the district; (ii) permit process reform; (iii) exemption from ordinances; and (iv) any other incentive adopted by ordinance, which shall be binding upon the locality for a period of up to ten years.

D. Each locality establishing a technology zone pursuant to this section may also adopt a local enterprise zone development taxation program for the technology zone as provided in § [58.1-3245.12](#).

E. The establishment of a technology zone shall not preclude the area from also being designated as an enterprise zone.

(1995, c. 397; 1996, c. 830; 1997, c. 168; 2002, c. 449.)

§ 58.1-3245.12. Local enterprise zone program for technology zones.

The governing body of any county, city, or town may also adopt a local enterprise zone development taxation program for a technology zone, as described in § [58.1-3850](#), located within its boundaries, regardless of whether such technology zone has been designated by the Governor as an enterprise zone pursuant to Chapter 49 (§ [59.1-538](#) et seq.) of Title 59.1. Such program for a technology zone shall be adopted by local ordinance. All other provisions in this article as they relate to a local enterprise zone development taxation program for enterprise zones shall apply to such program for technology zones.

(2002, c. 449; 2005, cc. 863, 884.)

§ 59.1-543. Local incentives.

A. Local governments submitting applications for enterprise zone designation shall propose local incentives that address the economic conditions within their locality and that will help stimulate real property improvements and new job creation. Such local incentives include, but are not limited to: (i) reduction of permit fees; (ii) reduction of user fees; (iii) reduction of business, professional and occupational license tax; (iv)

partial exemption from taxation of substantially rehabilitated real estate pursuant to § [58.1-3221](#); and (v) adoption of a local enterprise zone development taxation program pursuant to Article 4.2 (§ [58.1-3245.6](#) et seq.) of Chapter 32 of Title 58.1. The extent and duration of such incentives shall conform to the requirements of the Constitution of Virginia and the Constitution of the United States. In making application for designation as an enterprise zone, the application may also contain proposals for regulatory flexibility, including but not limited to: (a) special zoning districts, (b) permit process reform, (c) exemptions from local ordinances, and (d) other public incentives proposed in the locality's application which shall be binding upon the locality upon designation of the enterprise zone.

B. A locality may establish eligibility criteria for local incentives that differ from the criteria required to qualify for the incentives provided in this chapter.

(2005, cc. 863, 884.)

§ 58.1-3245.8. Adoption of local enterprise zone development taxation program.

A. The governing body of any county, city, or town may adopt a local enterprise zone development taxation program by passing an ordinance designating an enterprise zone located within its boundaries as a local enterprise zone; however, an ordinance may designate an area as a local enterprise zone contingent upon the designation of the area as an enterprise zone pursuant to Chapter 49 (§ [59.1-538](#) et seq.) of Title 59.1. If the county, city, or town contains more than one enterprise zone, such ordinance may designate one or more as a local enterprise zone. If an enterprise zone is located in more than one county, city, or town, the governing body may designate the portion of the enterprise zone located within its boundaries as a local enterprise zone. An ordinance designating a local enterprise zone shall provide that all or a specified percentage of the real estate taxes, machinery and tools taxes, or both, in the local enterprise zone shall be assessed, collected and allocated in the following manner:

1. The local assessing officer shall record in the appropriate books both the base assessed value and the current assessed value of the real estate or machinery and tools, or both, in the local enterprise zone.
2. Real estate taxes or machinery and tools taxes attributable to the lower of the current assessed value or base assessed value of real estate or machinery and tools located in a local enterprise zone shall be allocated by the treasurer or director of finance as they would be in the absence of such ordinance.
3. All or the specified percentage of the increase in real estate taxes or machinery and tools taxes, or both, attributable to the difference between (i) the current assessed value of such property and (ii) the base assessed value of such property shall be allocated by the treasurer or director of finance and paid into a special fund entitled the "Local Enterprise Zone Development Fund" to be used as provided in § [58.1-3245.10](#). Such amounts paid into the fund shall not include any additional revenues resulting from an increase in the tax rate on real estate or machinery and tools after the adoption of a local enterprise zone development taxation ordinance, nor shall it include any additional

revenues merely resulting from an increase in the assessed value of real estate or machinery and tools which were located in the zone prior to the adoption of a local enterprise zone development taxation ordinance unless such property is improved or enhanced.

B. The governing body shall hold a public hearing on the need for a local enterprise zone development taxation program in the county, city, or town prior to adopting a local enterprise zone development taxation ordinance. Notice of the public hearing shall be published once each week for three consecutive weeks immediately preceding the public hearing in each newspaper of general circulation in such county, city, or town. The notice shall include the time, place and purpose of the public hearing; define local enterprise zone development taxation; indicate the proposed boundaries of the local enterprise zone; state whether all or a specified percentage of real property or machinery or tools, or both, will be subject to local enterprise zone development taxation; and describe the purposes for which funds in the Local Enterprise Zone Development Fund are authorized to be used.

(1997, c. 314; 2005, cc. 863, 884.)

§ 58.1-3245.10. Use of funds deposited in the Local Enterprise Zone Development Fund.

A. Any county, city, or town which adopts a local enterprise zone development taxation program may use funds in the Local Enterprise Zone Development Fund for any one or more of the following purposes:

1. To provide enhanced law-enforcement and other governmental services, including financing transportation projects, as may be appropriate to secure and promote private investment in the local enterprise zone;
2. To make grants to chambers of commerce and similar organizations within such county, city, or town in order to secure and promote economic development within the local enterprise zone; or
3. To make grants to any industrial development authority created by the governing body pursuant to Chapter 49 (§ [15.2-4900](#) et seq.) of Title 15.2, in order to secure and promote economic development within the local enterprise zone.

B. Any revenues in the Local Enterprise Zone Development Fund which are not used for a purpose authorized by subsection A shall be deemed "surplus funds." At the end of the tax year, all surplus funds may be paid into the general fund of the county, city, or town in which the local enterprise zone is located.

(1997, c. 314.)

Appendix E

Real Estate Tax Exemption Enabling Legislation from the Code of Virginia

§ 58.1-3221. Partial exemption for certain rehabilitated, renovated or replacement commercial or industrial structures.

A. The governing body of any county, city or town may, by ordinance, provide for the partial exemption from taxation of real estate on which any structure or other improvement no less than twenty years of age, or fifteen years of age if the structure is located in an area designated as an enterprise zone by the Commonwealth, has undergone substantial rehabilitation, renovation or replacement for commercial or industrial use, subject to such conditions as the ordinance may prescribe. The ordinance may, in addition to any other restrictions hereinafter provided, restrict such exemptions to real property located within described zones or districts whose boundaries shall be determined by the governing body. The governing body of a county, city or town may establish criteria for determining whether real estate qualifies for the partial exemption authorized by this provision and may require the structure to be older than twenty years of age, or fifteen years of age if the structure is located in an area designated as an enterprise zone by the Commonwealth, or place such other restrictions and conditions on such property as may be prescribed by ordinance. Such ordinance may also provide for the partial exemption from taxation of real estate which has been substantially rehabilitated by complete replacement for commercial and industrial use.

B. The partial exemption provided by the local governing body may not exceed an amount equal to the increase in assessed value resulting from the rehabilitation, renovation or replacement of the commercial or industrial structure as determined by the commissioner of revenue or other local assessing officer or an amount up to fifty percent of the cost of rehabilitation, renovation or replacement as determined by ordinance. The exemption may commence upon completion of the rehabilitation, renovation or replacement, or on January 1 of the year following completion of the rehabilitation, renovation or replacement and shall run with the real estate for a period of no longer than fifteen years. The governing body of a county, city or town may place a shorter time limitation on the length of such exemption, or reduce the amount of the exemption in annual steps over the entire period or a portion thereof, in such manner as the ordinance may prescribe.

C. Nothing in this section shall be construed as to permit the commissioner of the revenue to list upon the land book any reduced value due to the exemption provided in subsection B.

D. The governing body of any county, city or town may assess a fee not to exceed one hundred twenty-five dollars for residential properties, or two hundred fifty dollars for commercial, industrial, and/or apartment properties of six units or more for processing an application requesting the exemption provided by this section. No property shall be eligible for such exemption unless the appropriate building permits have been acquired and the commissioner of the revenue or assessing officer has verified that the rehabilitation, renovation or replacement indicated on the application has been completed.

E. Where rehabilitation is achieved through demolition and replacement of an existing structure, the exemption provided in subsection A shall not apply when any structure demolished is a registered Virginia landmark or is determined by the Department of Historic Resources to contribute to the significance of a registered historic landmark.

(Code 1950, § 58-760.3; 1979, c. 195; 1980, c. 417; 1984, c. 675; 1986, c. 271; 1989, c. 89; 1994, cc. 424, 435, 608; 1995, c. 673; 2001, c. 489; 2002, cc. 8, 137.)

Appendix F

Definition of Class A, B, and C Office Buildings

Office buildings are classified according to a combination of location and physical characteristics. Class B and Class C buildings are always defined in reference to the qualities of Class A buildings. There is no formula by which buildings can be placed into classes; judgment is always involved. A fair number of the Class C office spaces in the inventory are not truly office buildings but rather walk-up office spaces above retail or service businesses.

The Urban Land Institute, a noted authority on commercial land uses, says the following about these classifications in its *Office Development Handbook*.

Class A space can be characterized as buildings that have excellent location and access, attract high quality tenants, and are managed professionally. Building materials are high quality and rents are competitive with other new buildings.

Class B buildings have good locations, management, and construction, and tenant standards are high. Buildings should have very little functional obsolescence and deterioration.

Class C buildings are typically 15 to 25 years old but are maintaining steady occupancy. Tenants filter from Class B to Class A and from Class C to Class B.

In a normal market, Class A rents are higher than Class B which are above Class C. This makes sense because Class A buildings offer higher quality to the tenants and cost more to provide.

Source: <http://www.lafayette.org/uploads/DefinitionofClassA.BandCOfficeSpace.pdf>

Appendix G
INVENTORY AND ASSESSMENT OF ECONOMIC DEVELOPMENT
ACTIVITIES OF THE
CITY OF WILLIAMSBURG
January 2005

ACTIVITY

ASSESSMENT

I. Economic Development Policy and Planning

- | | |
|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A. Comprehensive Plan Update | Economic Development major issue in Comp Plan update...focus on removing barriers to economic development in zoning regulations and reassessing economic development land uses and densities. Comp Plan update to be completed in mid 2005. |
| B. Biennial Goals and Initiatives | City Council sets its strategic priorities to advance the cause of "Economic Vitality" in its goals for each biennium. |
| C. City ED Information and Research | Development of Economic Development page on city website completed and managed by IT staff. Creation of Community Profile, updated annually. City in-house research capability limited. |

II. Tourism Development

- | | |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A. CWF/CVB/WADMC Support | City Council contributes over \$2.2 million annually to promote Williamsburg as a destination, plus proceeds of \$2 room tax surcharge. Mayor Zeidler serves on Williamsburg Area Destination Marketing Committee. ACM serves on Marketing Committee of WADMC. |
| B. Tourism Vision TF | City engaged in Nichols Study (CM on Steering Committee) to rethink the regional approach to tourism <u>Products</u> , <u>Delivery</u> , <u>Systems</u> , <u>Customer</u> , and <u>Competition</u> . Study to be completed in early 2005. |
| C. Jamestown 2007 | Mayor Zeidler is Executive Director and Host Committee Chair for 2007. City heavily engaged in planning and support. |

ACTIVITY

D. Special Events

ASSESSMENT

City recently started Farmers' Market and Festival Williamsburg plus continued support for major events, e.g.: 4th Grand Illumination, Occasion for the Arts. Great City Walks map and regional Arts Map currently in development.

III. Economic Development Agency Collaboration

A. Regional Economic Development Alliance

City strong supporter of merger of PAED with HREDA to better promote entire region. Mayor represents City on the Alliance and the Hampton Roads Partnership (HRP).

B. Chamber of Commerce

City provides \$100,000 annually to underwrite Williamsburg Area Chamber, which provides a variety of services to member businesses. Councilman Chohany represents the City Council on the Chamber Board; ACM member of Chamber's Economic Progress Committee.

C. Williamsburg Industrial Development Authority

Williamsburg IDA provides IDB financing and new business appreciation program. Receives staff support from ACM and City Attorney. Councilman Chohany is City Council's liaison with IDA.

D. Williamsburg Redevelopment and Housing Authority

Partnerships between WRHA and city have recently produced several redevelopment projects – most focused on housing. Vice Mayor Haulman represents City Council on the WRHA Board.

E. William and Mary Economic Development Office

City working with this office to foster more student oriented retail. IDA has supported TAB Center in past.

F. Crossroads Group

City is active Crossroads member and supporter of Crossroads initiatives such as the Center for Excellence in Geriatric Health and Aging. Councilman Scruggs and CM represent City on Crossroads Steering Committee.

G. Architectural Review Board

City Council has requested ARB reevaluate its Guidelines to better balance historic preservation with redevelopment incentives.

IV. Workforce Development

A. Pre-K through 12

City Council strong supporter of education at all levels. Early endorsement of 3rd high school.

B. TNCC

City Council long time supporter and contributor to TNCC; partner in Williamsburg Area TNCC Campus.

ACTIVITY

ASSESSMENT

C. Regional Workforce System

City actively engaged with Peninsula Workforce Investment Board, Greater Peninsula Workforce Development Consortium (Councilman Scruggs chairs this Board), Peninsula Workforce Development Center, and new "Peninsula Council for Workforce Development."

D. One-Stop Employment Center

City Human Service Department teams with VEC, New Horizons and TNCC to staff effective job placement effort located in Williamsburg Crossing Shopping Center.

V. Use of Grants and Incentives

A. Community Development Block Grants

City has tapped largest and best source of federal funds for community development and assisting low and moderate income people. Other potential grant funding could be used, such as Governor's Opportunity Fund.

B. Preserve America Designation

City has been awarded federal designation for ED preservation activities. Designation may provide opportunities for federal grants.

C. Tax Credits and Incentives

Historic preservation or renovation federal tax credits could be used to encourage private redevelopment. City could give cash grants or property tax credits for improvements in redevelopment districts.

D. Public Financing Vehicles

The IDA has successfully financed CWF, hospital and Center for State Courts projects through federal tax exempt Industrial Revenue Bonds (IDB). Other forms of public financing vehicles could be used, e.g.: Special Service Districts, Tax Increment Financing Districts, and Community Development Authorities.

E. Site Assembly

City has assembled property in City Square and High Street areas to incentivize economic development. Site assembly by government can be a powerful tool.

VI. Private Sector Investments

A. Major Commercial Projects, e.g.:

- High Street
- Riverside/Quarterpath
- Sentara Reuse Committee
- Sale of Royals Property
- CWF Lodge Renovation
- Yankee Candle

A large number of development projects over the next several years require close city involvement, regulation, and in all cases, leadership.

ACTIVITY

B. Redevelopment Focus Areas

- Richmond Rd (Brooks to New Hope)
- Henry St (Lafayette to Mimosa)
- Capital Landing Rd (Bypass to Rt 143)
- 2nd Street and Penniman

ASSESSMENT

Several corridors are identified in the Goals and Initiatives requiring city leadership and participation, including possible site acquisition and incentives.

VII. Infrastructure Development

A. VDOT Street Construction Projects

- Richmond Road Reconstruction (Brooks to ByPass)
- Treyburn Drive Extension
- Monticello/Ironbound
- Rt 199/Jamestown

These projects are in various stages of development. All require city staff coordination with VDOT, especially Richmond Road and Treyburn where timing is particularly important.

B. Streetscape/Beautification Projects

Undergrounding wiring on Monticello Avenue is in progress, to include landscaping in front of shopping center. Re-landscaping will also follow the Richmond Road project. Prince George Street and Boundary Street streetscape project recently completed.

C. Wayfinding Signs

City is leading regional effort of ten partners to install a unified Wayfinding System for Williamsburg, JCC and York.

D. Transit and Rail

City was instrumental in the creation of Williamsburg Area Transport, and now in developing a new regional transit governance system. City is participating in VDOT's Hampton Roads Passenger Rail Alternatives Study. Renovation of Williamsburg Transportation Center completed in 2002.

E. Utilities

Raw water supply, water treatment and distribution, wastewater collection, stormwater management, are all continuous and sometimes targeted city activities necessary for economic development.

ACTIVITY

F. Parking

ASSESSMENT

Parking supply and management in downtown area are ongoing city responsibility essential for economic development. Recent constructed Prince George Parking Garage to add to supply.